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The Nation's Business

Take a Second Look At Price Control

After nearly six months of operation, Canada's great experiment in price control is beginning to reveal clearly some of its strengths and weaknesses. Businessmen and economists are taking a second look at price control, to see if there are ways of improving it. This is always a healthy practice.

The price ceiling—which is in effect a retail price ceiling—is part of Canada's attack upon inflation. But it is only one of the anti-inflation tools we use. Increased taxes, war loan campaigns and a measure of control of the civilian use of materials, machines and man power are equally important tools we are using.

The basic assumptions in the price control plan were:

1. That inflation is undesirable.

Everyone will agree that "excessive" and "dangerous" inflation should be avoided. But there is room for difference of opinion as to whether or not some further rise in prices would be unhealthy; would threaten "excessive" or "dangerous" inflation.

2. That in Donald Gordon's words, "a high standard of living and a total war effort do not go together."

Again everyone agrees. But again not everyone agrees that price control is the most effective instrument for promoting civilian self-denial.

* * *

So far we have done a good job of controlling prices, if the cost-of-living index is a fair test.

But there are other considerations to be weighed.

There's the matter of who is paying the shot for the consumer's saving. Basic raw material costs have gone up; taxes have increased the costs of making and distributing goods. Moreover, at the very time prices were frozen, semi-finished and finished goods in the hands of manufacturers and wholesalers had cost more to produce than similar goods on the shelves of retailers. Someone had to absorb this cost.

To the extent that it is being absorbed by "rolling back the squeeze"—reducing costs of distribution, standardizing and simplifying lines, "slimming" business and "de-frilling" merchandise—no one is losing very heavily.

To the extent that business is absorbing the squeeze business firms are subsidizing the consumer.

To the extent that the price ceiling can be maintained only by passing on increased costs to the taxpayer, through subsidies, it is another story. Most people would willingly pay some extra taxes to keep prices of the necessities of life stabilized. But how big can the bill be without becoming uneconomic? And why should we subsidize luxuries?

* * *

Mr. Gordon insists that subsidies paid to date total less than $2 millions, But he did not estimate what they would amount to later. The payment of subsidies has hardly started. The figure may not reach the $300 millions a year that some have estimated, but to think that $2 millions indicates the trend is a joke.

The public is not likely to look with favor upon subsidies on what it thinks we can do without in wartime. As Kenneth R. Wilson, Ottawa correspondent of The Financial Post, said in an address recently:

> "My guess would be that the public will not take kindly to subsidizing $100 china plates, grapefruit juice and hundreds upon hundreds of domestic and imported goods, irrespective of whether they are necessary to maintain life."

* * *

All these considerations must be weighed. The price control plan must be reviewed from time to time. This moment, when the United States is attempting to work out its own plan of price control, might be a suitable time to reconsider the whole plan, in the light of experience.

It may well be that some of the other elements in the government's five-point programme of attack upon inflation are worthy of greater development. That five-point programme tackles inflation with the tools of: (1) fiscal policy—taxes, monetary control and public borrowing; (2) control of supplies available to the public; (3) diversion of labor to war and control of wages and salaries; (4) price control; and (5) agricultural policy.

Of all these, by far the most important tool, and the one used most hesitatingly to date, may be that of control of supplies to the public. Mr. Gordon says that coupon rationing should be avoided as long as possible. But if we are going to divert materials to war and put the public on a frugal standard of living, we need some plan for ensuring "share-and-share" alike distribution.

There are some businessmen and economists who feel that we shall have to start over again, as of a new date, on price control. The aim would be to get some balance into the price structure before freezing prices.

One plan widely favored would be to confine price control—and subsidies—to raw materials, and particularly to imported raw materials, the price of which is beyond our control. The successive strata of prices would be adjusted to normal mark-ups. Thereafter wages and mark-ups would be frozen. The ultimate effect would be to control the final price to the consumer. But some rise in the cost-of-living index could not be avoided in the initial stages.

Price control is a great and historic experiment, one worthy of a virile and not undisciplined people like Canadians. It is an essential war weapon of the government. It must be made to work. That means we must be sure of a price control plan that WILL work. We must not stubbornly stick to one plan, without modification, unless we are sure it is going to succeed, and succeed at reasonable economic cost.

We should not be afraid to re-examine any plan from time to time.

Above all, we should not get ourselves into the mood of thinking that any particular price level is sacred.

* * * *

OTHER FOODS MORE IMPORTANT THAN WHEAT

With refreshing directness, Donald Gordon told western farmers this week that they should grow less wheat and more of the food really required by Britain and her allies in this war. Characteristically, the outspoken Chairman of the Wartime Prices and Trade Board did not make his speech in sheltered and faraway Ottawa but in Winnipeg, the business centre of Canada's wheat industry.

Bluntly, he told his listeners that we already have more wheat than we need for immediate requirements, but we are growing critically short of almost every other food that our farms can produce.

Mr. Gordon performed a necessary but unpalatable public service that should have been performed by the Dominion Minister of Agriculture months ago. Then the farmers would still have had ample opportunity to rearrange their spring operations.

The truth is that our production of vitally needed foods is threatening to fall below the output of a year ago while the need for them has rapidly increased. At the same time we already have in storage sufficient wheat to feed this country and Great Britain for almost two years. Only a moderate production of wheat is required now, but every acre of land that can produce vegetable oils and concentrated meat and dairy products is desperately needed.

To gain maximum production of these foods, plans should have been made long ago. It takes time to switch to new agricultural lines. Canadian farmers will be perfectly willing to do this and anything else to further the war effort, but they are entitled to national guidance. **It is hoped Mr. Gordon's warning is in time.**

Power Shift May Be Made Late in Year

Newsprint Makers to Give Up Hydro Power to Keep New Aluminum Plants Going

Diversion of hydro-electric power from newsprint manufacturers in Canada to supply Aluminum Co. of Canada, or perhaps aluminum makers in the United States, does not appear likely in the near future, The Financial Post is informed.

As pointed out several weeks ago in The Post, the real difficulty is going to develop late this year when new plant for producing aluminum is to be completed by Aluminum Co. of Canada, perhaps three or four months before new power-producing facilities designed to supply the new aluminum plant are ready. There will be a gap of a few months, perhaps not more than three or four, that will require diversion from other users. The large newsprint manufacturers are expected to have to give up a substantial portion of their power during that period.

Quebec Hit Hardest

Not all newsprint manufacturers will be affected in the same way. Plants in Quebec and in southern Ontario are the ones that will be hit. Nothing is likely to be done to shift power from newsprint mills in New Brunswick, northern Ontario or British Columbia because there are no facilities available to bring this power to where it can be used by war industry. In Ontario, for example, the Ontario Paper Co.'s plant at Thorold would likely have its power supply curtailed, but the Abitibi plants in the northern part of the province, Great Lakes Paper and Minnesota & Ontario Paper, would be left undisturbed.

Practically all Quebec newsprint mills would likely be affected by any power diversion. The programme would be aided by the newly completed grid system in Quebec whereby all major power systems are linked together and power can be shifted from one area to another when needed.

It is estimated that newsprint

(Continued on page 2, col. 6)

He Makes Bread a "Pep" Food

—Photo for The Financial Post by Malak.

Bread made from Canada Approved flour went on the retail market this week, a step hailed by diet experts as one of the most radical ever taken. Pictured here is Dr. L. H. Newman, Dominion Cerealist, Ottawa, who with his associates has developed the new—and cheaper—milling process which produces the new flour. Canada Approved flour has 365 units per pound of Vitamin B compared with about 160 in present white flour. Vitamin B is not contained to any appreciable extent in fruits and vegetables. In addition to being the vitamin that protects against disease, it is the "pep" vitamin, giving more energy and the feeling of buoyant health. Some Canadian bakers have anticipated the order, already sell the new bread.

Is Profit Freezing on the Way?

Subsidy Tax Formula Equivalent to 100% E.P.T.

By KENNETH R. WILSON

OTTAWA. — Announcement last week of the astute new subsidy-tax formula for food manufacturers operating under the price ceiling has posed as important a tax problem as any which faces Canada's budget-makers in the forthcoming weeks.

The new formula reduces the amount of subsidy that food manufacturers may receive by the amount by which profits on the entire business, after taxes, are greater than "standard profits."

Freeze Profits Further

Having placed a curb on wages, salaries, prices and now having established the principle that no manufacturer (in this particular group) is eligible for subsidy over and above his "standard" profits—the question which now faces federal tax makers is whether or not **all** profits of business (over and above "standard") shall be taxed on and after the date of the next budget.

Against the obvious desire on the part of certain groups to have the government adopt this principle across the whole tax board, there is very real concern as to what effect a virtual 100% profits tax might have in removing the incentive toward higher war production.

Admittedly officials in high authority (Donald Gordon in his Toronto speech) have come out unequivocally for "maximum production for its own sake." Mr. Gordon says "anyone who regulates his effort by reference to a profit motive is a menace to the safety of the State." Yet there are still those in Ottawa who are fearful that elimination of profit incentive might jeopardize the war effort.

The official explanation of the new tax subsidy formula follows:

"It shall be a principle of this subsidy that the amount thereof shall be reduced so that the recipients' net income after taxes shall not exceed their net income after taxes during the standard period referred to in the Excess Profits Tax Act. In view of variations in income taxes and corporation taxes in the various provinces, and of changes in Dominion Income Taxes during the standard period, and of the fact that during the standard period the business profits of unincorporated businesses were taxed as personal income at varying rates of tax, the objective above stated shall be achieved on a fair average basis to be applied uniformly to all recipients of this subsidy as follows

"If, with such subsidy at its maximum, a manufacturer's 'net income' (as hereinafter defined) for his fiscal year in respect of which such subsidy is payable, is greater than the manufacturer's 'net standard profits' (as hereinafter defined) for such fiscal year, then the amount of the subsidy in respect of such fiscal year shall be so reduced that the manufacturer's net income shall be no greater than his net standard profits.

"The words 'net income' are defined to mean the manufacturer's net taxable income for the fiscal year in question as determined under the Income War Tax Act, less the amount of Dominion Income and Excess Profits Taxes payable by the manufacturer calculated on the following basis, namely, either

"(a) At the rate of 40% of such net taxable income, or

"(b) at the rate of 18% of the manufacturer's 'standard profits' as defined under the Excess Profits Tax Act, and 79½% of the amount of the manufacturer's net taxable income in excess of such standard profits,

whichever calculation results in the larger total amount of taxes but before deduction from the amount of such taxes of any allowance to which the manufacturer may be entitled by war of capital expenditure allowance under Section 90 of the Income War Tax Act. The foregoing reference to rates of tax is understood and intended to have the effect of requiring the manufacturer to bear the burden of any increase in taxation subsequent to April 12, 1942, or to receive the benefit of any decrease in taxation subsequent to such date.

"The words, 'net standard profits' are defined to mean 79% of the manufacturer's 'standard profits' as defined under the Excess Profits Tax Act.

"The above principles are intended to be equivalent to and shall be carried out by the application of the formula that there shall be deducted from the maximum amount of the subsidy payable to any manufacturer, the amount, if any, by which his net taxable income for his fiscal year in question inclusive of this subsidy exceeds 131 2/3% of his standard profits."

Beauharnois Sends More Power to Ontario Hydro

From Our Own Correspondent

MONTREAL. — Faced with further growth in power demand, Hydro-Electric Power Commission of Ontario has made arrangements with Beauharnois Light, Heat and Power Co. to step up deliveries of power under its long-term contract. At present Beauharnois is delivering 200,000 h.p. An additional 25,000 h.p. will be delivered on June 1 and another 25,000 h.p. on Aug. 1. This will complete the contract.

Ordinarily Ontario Hydro would not have taken the next block of 25,000 h.p. until Nov. 1, 1942, and the last block of equal size until Nov. 1, 1943.

On the basis of planned deliveries to Hydro this year, Beauharnois will receive an income from that source for all of 1942 amounting to $2,812,500. Were deliveries to go according to schedule, income would have been only $2,552,000. Next year Beauharnois will receive $3,125,000 from Hydro, an amount which ordinarily would not have been reached until 1944.

Big Speed Up in Hog Output Needed to Fill Bacon Quota

By STAFF WRITER

OTTAWA. — Assuming domestic consumption remains at present levels, there must be a fivefold gain in the rate of increase in hog shipments if Canada is to meet her bacon quota to Britain in the next six months.

Hog marketings in the first six months of the marketing year were about 5% greater than a year ago. Because of an increase in average slaughter weight and a drop in domestic usage, the actual gain in exports to Britain during that period rose 30%.

Thus in the first 26 weeks of the bacon agreement approximately 326 million lb. of bacon had been purchased by Britain out of a contract total of 600 million lb. This compares with corresponding purchases of 251 million lb.

But to provide the 274 million lb. which Britain still requires means the product of 2,283,000 hogs. With domestic consumption at present levels this would make total requirement of 3,267,000 hogs for slaughter by Oct. 1, 1942. This would represent an increase of about 25% in the number available during the same period last year or a total of **about 660,000 more hogs.**

Price Ceiling Impasse on Beef

Agriculture and W.P.T.B. Lock Horns Over Policy

By STAFF WRITER

OTTAWA.—No solution has yet been found for the beef crisis — thorniest problem which Price Czar Donald Gordon has yet been called on to face.

Unless the U. S. establishes an overall price ceiling and permits intercontinental price control, puncturing the Canadian price ceiling on beef seems inevitable.

As in the wheat crisis which preceded meat as the Board's prize agricultural headache—the chief protagonists are Minister of Agriculture Gardiner and Prices Chairman Donald Gordon.

Gardiner vs. Gordon

Mr. Gardiner stands as the champion of agricultural interests, both in and out of the Cabinet, who refuse to countenance the political hara-kiri involved in putting an embargo on the export of cattle to the United States.

Mr. Gordon is adamant in refusing to see his price-ceiling punctured by **higher meat prices which now ap**pear necessary to entice beef cattle back into domestic trade.

In between is the consumer of beef who may find that commodity disappearing entirely from the butcher's counter within the next few weeks.

No Easing of Demand

The meat crisis has been slowly coming to a head for the past few months. Early in the year it was sensed that a shortage threatened. It was hoped, however, that once Canada had filled her quarterly quota of exports to the U. S., prices would ease and permit packers to operate within the price ceiling. The price dip did not materialize and as the time for a new quota of export to the U. S. arrived (April 1), the supply of cattle dried up very alarmingly.

The problem facing the price board was to devise a formula which would give control of both exports and prices and would be short of an outright embargo such as would inevitably have led to a collapse in domestic prices. The plan agreed upon was in essence defining a new price selling for packers—a ceiling at which packers would be permitted to purchase cattle and which would be realistic in terms of prevailing market and export prices. This would be accompanied by a form of export control which would aim to ensure a flow of cattle into domestic channels.

In turn the packers would be subsidized (if necessary) on the basis of the actual handling charges of converting livestock into beef in order that the consumer might continue to purchase beef at "ceiling" prices.

Dislike Export Control

Cabinet is reported to have turned the proposal down as soon as it sniffed the idea of any control of agricultural exports.

Meanwhile, packers were ordered by the board (Order No. 109) to return to the individual customer ceilings which they had established in

(Continued on page 2, col. 7)

Critics of Price Lid Now Speak Louder

Claim Retail Starting Point and Subsidies Already Shown to be Inefficient Means to Desired End

The debate on how to control prices now boiling in the United States, is having an echo in Canada, where business leaders are re-examining their own government's price ceiling experiment in the light of nearly half a year's experience.

Most of them agree that the experiment was a bold offensive against inflation and has functioned fairly well. Some who strongly opposed the plan have done an "about face" in its favor.

But increased understanding of Canada's price control method and accumulated evidence as to how it is working in practice, are leading some observers to the belief that the time has come when some modification in the plan will help rather than hinder price control in Canada.

One chief target of criticism is the payment of subsidies on a wide range of both essential and non-essential goods, both imports and merchandise made in Canada.

Donald Gordon, chairman of the W.P.T.B, says the total of the subsidies paid so far does not exceed $1.5 million to $2 millions and describes reports that they may reach $300 millions a year as "fantastic and mischievous."

He argues that the need for subsidies is obvious if the price ceiling is to be maintained, and that if the price ceiling is not maintained there will be a "vicious spiral of inflation."

Some Canadian businessmen dissent. They have detailed to The Financial Post their point of view with respect to the whole price ceiling system and particularly with respect to its corollary of subsidies.

These men say that if the subsidies grow large, they will aggravate the danger of inflation, because they will have the effect of increasing buying power, with the taxpayer bonusing the buyer.

They believe—along with Walter Lippmann, the newspaper columnist —that inflation is not prevented by fixing prices. Dealing with price control in the United States, Lippmann wrote this week: "If there has been an inflation of currency, if money is more plentiful than goods, frozen prices merely hide the inflation and dam it up until some later time when it cannot be dammed up any longer."

Of course, in Canada, the programme to combat inflation has had several phases. It has included wage control, taxation, public borrowing, control of supplies, and a wartime agricultural policy. But the chief emphasis has been on the price ceiling—especially on the necessity of keeping the structure intact by preventing ceiling punctures.

Pass it on to Buyers

Some businessmen interviewed by The Post feel this is wrong, and that the time has come when increases in cost of raw materials and labor should be reflected in some increased prices to consumers. This, they say, would act as a brake on consumer buying.

They do not hold, though, that there should be no control — that prices should be allowed to go their merry way, trailed by ever-increasing wages until Canadian economy is whirling dizzily.

One view, offered by several businessmen interviewed is that, while there should be a price ceiling, it would be better to apply it to raw materials than to finished goods on sale at retail. The cost of raw materials would be fixed at present levels. Only in the case of imported raw materials, particularly those of an essential nature, would subsidies be paid.

Then the selling price of manufacturers, wholesalers and retailers would be adjusted to the normal prewar mark-up, and frozen there. Wages would also be frozen. Advocates of this plan feel it would strike a sound balance which would not soon be upset. It would mean, they admit, some increase in the cost-of-living index now but comparative stability thereafter.

This "progressive" price-ceiling plan, however, freezing mark-ups rather than prices themselves, is gaining some favor with businessmen just at a time when Ottawa is reported as hardening against it as a possible form of modification.

Another proposal made by a Canadian economist is that the Wartime Prices and Trade Board select a list of the commodities which

(Continued on page 2, col. 1)

Debate Use of Tap Loans Instead of Blitz Drives

By STAFF WRITER

OTTAWA.—The pattern of Canada's future war finance programme will crystallize here next week end when Chairman George W. Spinney plays host to provincial and group leaders of the National War Finance Committee.

Expected to attend are the provincial chairmen and vice-chairmen of N.W.F.C. as well as Arthur F. White, chairman, Administration and Finance Committee; D. I. McLeod, chairman, Publicity Committee; J. H. Gundy, chairman, Special Names Committee; J. H. Ratcliffe and E. J. Quinn, chairmen, Employees Committee.

As reported in The Financial Post last week, pre-conference discussion suggests a compromise solution will be proposed to the meeting—a compromise which will bridge the gap between those who favor an all-year "tap" loan and those who pin their faith solely to twice-yearly "blitz" campaigns.

One suggestion much to the fore in recent days has been the proposal to continue fall and spring victory loan campaigns as well as a year round war savings drive, but to supplement these by making available throughout the year bonds of smaller ($50 and $100) denominations.

Names of the provincial chairman and vice-chairmen who have been invited for the week-end meeting include:

Prince Edward Island
  E. W. McKinnon, chairman.
  W. H. V. Dunbar, vice-chairman.
Nova Scotia
  Hon. F. B. McCurdy, chairman.
  W. I. Macdougall, vice-chairman.
New Brunswick
  D. Lawrence MacLaren, chairman.
  F. J. Brennan, vice-chairman.
Quebec
  E. A. Macnutt, Hon. E. L. Patenaude, Hon. F. P. Brais, K.C., Hon. L. A. Taschereau, K.C., joint chairmen.
  A. J. Nesbitt, joint vice-chairman.
Ontario
  A. E. Arscott, chairman.
  H. R. Tudhope, vice-chairman.
Manitoba
  H. E. Sellers, chairman.
  Ralph D. Baker, vice-chairman.
Saskatchewan
  C. B. McKee, chairman.
  W. M. Houston, vice-chairman.
Alberta
  F. E. Osborne, chairman.
  E. H. Tanner, vice-chairman (S. Alta.).
  H. M. E. Evans, vice-chairman, (N. Alta.).
British Columbia and Yukon
  Austin C. Taylor, chairman.
  R. Murray Brink, vice-chairman.

Buy Bikes For Meat Salesmen and Reporters

It is impossible to put 100 people into one automobile—but you can put 100 people on 100 bicycles. You can make 100 bicycles out of the materials that go into one automobile —and bicycles don't use gasoline.

That's the argument Canada's bicycle manufacturers are putting before the government just now in an effort to obtain priorities on materials.

Demands for bicycles are pouring into the manufacturers at present in an ever-growing stream, and they are finding it impossible to fill all orders promptly. As far as materials go, they are now operating on a "hand to mouth" basis.

Meanwhile, Swift Canadian Co. Ltd., is putting its route salesmen on bikes in smaller cities and towns across the country. The salesmen report back that they like it. They no longer have worries about finding parking space and parking over the time limit, and their customers seem to approve the idea of rubber and gasoline being conserved.

The Ottawa Journal has ordered bicycles for its reporters, turning the pages of time back to the 'nineties.

Other types of business are likely to follow suit—if they can get the bikes.

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MEN'S SHOP

Civil and Military Outfitters

EATON'S - COLLEGE STREET

Pricc Ceiling Critics Now Speaking Louder

(Continued from page 1)

play the biggest part in the life of the ordinary household, and establish—and publish—maximum prices for these commodities according to geographic zones. Less important commodities would be left under the existing price ceiling.

Eliminate Subsidies

The man who advances this idea comments that, in an increasing number of cases, prices of the more important commodities are proving to have been frozen at too low a level. He suggests that the maximum prices be high enough to make subsidies unnecessary. This, it follows, would mean some rise in the cost-of-living index, but he claims this is warranted.

The purpose of having maximum prices on given commodities published by zones would be to place housewives in a position to keep a constant check on them.

Under the existing system, the ceiling sets a limit on prices charged by the individual store—based on what the store charged in the period from Sept. 15 to Oct. 11. This took into consideration the fact that different stores had different overhead costs which had to be passed on to the consumer.

With the zone price system, maximum prices would be established for all stores in a zone. These prices would be high enough that stores with high overhead would not be penalized too severely. The economist who puts forth the proposition believes that in lower price stores, prices would automatically find relative levels.

He holds, strongly, that subsidies on all goods but necessary imports are a mistake, and that the money they put into circulation will have as much of an inflationary effect as money put into circulation by permitting prices to rise.

Fosters Buying Spree

One businessman, with nationwide interests, holds the view that the price ceiling plan is bound to defeat Donald Gordon's objective of attempting to curb a "buying spree." Firstly, because the price ceiling protects the high wage munitions worker's ability to spend without having his spending urge curbed by increasing prices.

Secondly, because there has been insufficient use of the government's tools to control supplies of goods available to the consumer. He holds that control of supplies is a much more effective anti-inflationary weapon but that it will have to be accompanied by an increased use of coupon-rationing to ensure against an unfair distribution of available supplies.

People can buy now, at favorable prices, and many who have the money are making a raid on goods which are likely to run short. The contention is that only by coupon-rationing can this be prevented, and fair distribution of the goods guaranteed.

It is not suggested that this system be applied to everything, or even to a very wide range of merchandise. In Britain, clothing and food are rationed by books and coupons, but rationing of many goods is left to the discretion of the retailer.

Wants More Simplification

This man urges, too, more simplification of consumer lines; getting down almost to a range of utility" lines comparable to Britain's new utility clothing which will comprise 75% of all clothing sold in Britain.

Notwithstanding the various theories as to what should be done with the Canadian price ceiling, or should be done to supplement it, businessmen, generally, express to The Post the opinion that the country is in a far better position than it would have been without this experiment. But some of them say that experimentation is largely a process of trial and error. Now there has been a period of trial. Perhaps errors have been revealed which they claim should be promptly corrected.

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Shawinigan Sets Pace This Year

From Our Own Correspondent

MONTREAL.—Shawinigan Water and Power Co. operations for the year to date have continued considerably larger than a year ago.

The official interim statement covering revenues and expenses for the first quarter of 1942 is expected to show gross income of better than $6 millions. This would contrast with just under $4.7 millions for the like period a year ago.

Expansion has resulted in higher expenses, power purchases, as well as reserves for depreciation. Net profit for the past three months, subject to income and profits tax, should be not far short of $1.9 million, compared with official return of $1,012,619 for the first quarter of 1941.

Investment Notes

Jamaica Public Service income statement for the 12 months ended Feb. 28, 1942, indicates higher tax provision. Net income was equal to $1.20 a share on the common stock, as against $1.31 shown by the preliminary statement for the calendar year 1941, but still higher than the $1.19 indicated for the year ended Feb. 28, 1941.

* * *

Canadian Marconi has started work on a new wing which will add 13,000 sq. ft. of floor space to its Montreal factory. Original factory in 1930 had 45,000 sq. ft. of floor space and the latest addition will give the company 138,000 sq. ft., all devoted to manufacture of radio communication apparatus.

* * *

Bell Telephone Co. of Canada has issued 858 fully paid shares of capital stock on its employee stock plant. This brings the total number of shares now outstanding to 836,476

* * *

James A. McCrory, vice-president and chief engineer of the Shawinigan Engineering Co., has been elected president of the Corporation of Professional Engineers of the Province of Quebec. Other officers elected at the annual meeting include A. O. Dufresne, vice-president; C. C. Lindsay, secretary-treasurer; Brian R. Perry, J. Omer Martineau, P. E. Poitras, A. D. Ross and Adhemar Laframboise, councillors.

* * *

Brandram-Henderson Ltd. has called a special general meeting of shareholders, to be held in Montreal on April 22, to sanction a pension fund for employees and to reduce the number of directors from 12 to seven.

* * *

McColl-Frontenac Oil Co. reports 422 shares of the 6% cumulative preferred stock have been purchased for redemption and turned over to Montreal Trust Co. for cancellation.

* * *

Inter-State Royalty Corp. reports that at Jan. 31, 1942, investments in oil royalties had a book value of $1,152,847. Gross revenue from royalty income since acquisition amounted to $499,574 up to the end of Dec., 1941, and reserve for depletion totalled $136,650 to the same date.

In December gross income from royalty and rentals amounted to $14,587, while accumulated income from the same sources for 1941 amounted to $66,076.

* * *

Imperial Varnish & Color shares have been listed on the Toronto Stock Exchange. The listing covers 10,722 preference and 53,610 common shares. First public offering of this company's shares was made in Nov., 1940.

* * *

British Columbia Pulp and Paper Corp. informs holders of the 7% general mortgage bonds that it will pay the current interest coupon on May 1, 1942. This is the last of the deferred coupons and brings interest payments on these bonds up to date. Because of the breakdown in shipments to the Japanese market the company got leave to defer interest payments due from May 1, 1932, to May 1, 1942, with the exception of coupons payable May 1, 1935, Nov. 1, 1937, and May 1, 1938. Payment was to be deferred until Nov. 1, 1942, with interest on interest. Last fall the company anticipated the May and Nov., 1941, coupons and paid them off on Dec. 29.

* * *

Electrolux Corp. reports net profit for the year ended Dec. 31, 1941, after providing for federal income and excess profits taxes of $950,000, and reserve for contingencies arising out of war conditions of $350,000, amounted to $1,416,538, compared with $1,397,165 in 1940.

Based on 1,237,500 shares outstanding, 1941 net profit is equal to $1.14 per share, against $1.13 in 1940.

* * *

Canada Northern Power is holding its own despite the loss of the Lake Shore and Noranda contracts, A. J. Nesbitt, president, told the annual meeting.

In the first two months, he said, gross earnings were higher and net income before taxes was slightly better. The company is setting aside $75,000 a month for taxes, an increase of 20% over last year.

	1941	1940
February		
Gross income	$384,305	$413,063
Oper. expenses	148,886	189,311
Net earnings	235,419	223,752
Two Months Ended February		
Gross income	$779,296	$833,686
Oper. expenses	298,035	374,097
Net earnings	481,261	459,589

Note: Expenses do not include provision for income and excess profits taxes.

* * *

Security transactions and holdings for February summarized by S.E.C. include the following of Canadian interest:

Canadian Pacific—Fredrick Bramley, officer, acquired 275 common shares, holding that many, and 1,200 of 4% preference.

Distillers Corp.-Seagram — Distillers Corp. Ltd. has returned balance of 20,000 common shares and 12,500 preferred shares which it received under loan from Holding Company A. This leaves Holding Company A with 702,831 common shares and 29,650 preferred shares. Holding Company B holds 151,000 common. Samuel Bronfman, officer and director, holds one common share and five preferred shares directly.

Fanny Farmer Candy.—J. P. Hogan, officer and director, acquired 25 common shares, holding 925.

Howe Sound Co.—E. B. Schley, officer and director, disposed of 100 common shares, retaining 21,938.

International Nickel — Thomas Morrison, director, disposed of 5,060 shares in Dec., 1941, retaining 22,477 common shares and 1,600 7% preferred shares. H. S. Wingate, officer and director, acquired 200 shares, holding that many.

Gatineau Power—G. G. Gale acquired 200 common shares, holding 1,581 common and 316 5% preferred and 35 shares 5½% preferred. I. L. Moore acquired 150 common shares, holding 200.

International Hydro-Electric — G. G. Gale, officer and director, holds 329 class A shares. Irwin Moore holds 300 class A and 20 $3.50 preferred.

NEEDED—VITAL WAR MINERALS

Advertiser with twenty years' mining experience, and holding interesting tungsten and gold-copper-zinc properties under option, desires to contact five patriotic citizens with $50,000 each to provide capital to develop these and other known occurrences of tungsten and mercury.

This provides an opportunity to aid in supplying urgently needed war metals with substantial profit possibilities later on. All replies treated confidentially. Box No. 282, The Financial Post, Toronto.

The War and Business . . .

Raw Materials Change

Japanese and German conquests since the beginning of the war have substantially changed the relative holding of raw material by the Axis and Allied nations. Most important are the following, listed in percentage of world supplies or capacity:

Raw Material:	Production or Capacity Prewar %	Today %
Rubber	...	91.1
Steel	24.7	43.1
Iron ore	7.3	44.6
Tin ore	9.4	73.2

* * *

Stronger Home Defense

Quietly Canada has been building up stronger defense forces, including all three fighting arms. These will be available instantly to meet any emergency. For obvious reasons details have not been published but the vast increase in expenditures for home defense—reference was made to it in the recent sessions of parliament—offer ample confirmation.

It is believed that Canada will follow the same broad policy as that briefly outlined by President Roosevelt for the United States. Mr. Roosevelt declared that he was not going to play into enemy hands by holding back the bulk of his forces for home defense. Apparently he intended to maintain only a few highly mobile units which would be able to cope with any dangerous hit and run attacks on this continent. It is believed that a considerable portion of the trained air crews now coming out of B.C.A.T.P. schools in Canada may be retained for defense duty in Canada for some time before going overseas. This would explain the statement of Air Minister Power last week, when he intimated that Great Britain had sufficient Canadian airmen on hand for the time being.

* * *

Aussies Say We're Cold

Chat with an Australian airman in Canada.

"We feel a lot more at home in United States than in Canada. You Canadians are a lot more English than we are. The caste system in the forces in Canada is very much stricter than at home. You are pretty stiff and cold. You don't talk to strangers much. At home, it's just like in New York. People are friendly, easy to get to know."

Another Australian airman's introduction to Canadians.

An Australian officer was playing poker with a group of Australian privates. A Canadian officer of the old school came along. Addressing the Aussie officer, he said:

"Here we value the uniform much more highly than to sit down with privates."

* * *

Wasting Willkie

"Why is Willkie wasted?" is a question being asked in the U.S. capital with increasing frequency and heat. The answer seems to be mainly F.D.R.'s inability to forgive and forget. The former Republican leader is understood many times to have indicated his willingness to serve anywhere his capacities for administration or speech-making would help.

* * *

To Counter 5th Column

Big scale plans are reported under way in Washington for a creation of a "public information" system which would guide public opinion along war-winning ways. Official gossip is that total war calls for total methods; that isolationist and fifth column pressure in U.S.A. is so powerful that the national safety demands positive action to create and keep opinion devoted to the destruction of the Axis trio.

The volume of attention given recently by PM and Life to the Father Coughlins and Silvershirt Paleys is an indication of how seriously the situation is regarded.

Grocery Subsidy List Released by Ottawa

By STAFF WRITER

OTTAWA—Grocery items whose manufactured output in 1940 totalled $137.5 millions are included in last week's subsidy order. Biggest group affected by the order is the soap industry, which sold $22.7 millions of product to the trade in that year. Other big groups affected include: coffee ($13 millions); biscuits ($15.8 millions); breakfast cereals ($8.7 millions); jam, jelly and marmalade ($5.4 millions); flavoring extracts ($5.5 millions); rolled oats and oatmeal ($7.2 millions); canned soups ($6.9 millions).

Significance of the Order (No. 116) is:

(1) that is is by far the most important extension of domestic subsidies announced as yet under the price ceiling.

(2) that it introduces a novel and stringent proviso which prevents any participating firm from earning more than "standard" profits on its entire business in the year in which it applies for subsidy.

Details of the tax proviso are discussed elsewhere in this issue. Implications of the subsidy and its operation are outlined on page 11.

In essence, the order aims to ensure that replacement costs of wholesalers and retailers shall be held to a reasonable level in relation to their basic ceiling prices. For this purpose all manufacturers prices on this list of commodities are to revert to the highest prices charged during June, 1941. To compensate manufacturers for this enforced reduction in their "lawful" selling prices they are eligible to a subsidy payable by the Commodity Prices Stabilization Corporation, representing the difference between their old and new prices. The subsidy is to be reduced by the amount by which the manufacturer's profits from his entire business, after taxes, are greater than his "standard profits" for the purposes of the Excess Profits Tax Act, after taxes paid in accordance with a prescribed formula.

Dollar value of production in 1940 of the items listed in the order is given below. Corresponding value for 1941 would be between $150 and $175 millions.

	$
Apples, evaporated	596,819
Biscuits, plain & fancy	11,398,839
Biscuits, soda	4,464,206
Baking powder	1,637,923
Barley, pot & pearl	132,773
Breakfast cereals	8,692,376
Brooms	1,269,000
Coffee roasted & condensed and coffee compound and substit.	13,054,332
Cream of tartar	186,389
Cheese, processed	4,430,399
Clothes pins	165,274
Extracts, flavoring	1,728,756
Extracts, flavoring, concentrates, etc. (used as a base for soft drinks)	3,792,768
Floor wax, furniture polish, shoe polish, etc.*	2,966,290
Jam, jelly & marmalade	5,387,327
Jelly powders & pudding p'ders	2,175,229
Syrup, maple, canned or bottled	542,897
Macaroni products	2,549,771
Mayonnaise & salad dressing	1,589,306
Prepared mustard & dry mustard	548,586
Meats, canned	2,107,566
Mincemeat	394,156
Molasses (not specified as canned)	568,997
Rolled oats & oatmeal	7,225,804
Sandwich relish & spread	470,689
Pickles	2,728,288
Peanut butter	1,489,112
Peas, split	95,655
Pork & beans, canned	3,852,186
Salt	3,322,250
Soap, washing compounds, etc.	22,719,717
Soup, canned	6,912,546
Macaroni and spaghetti, canned	1,096,715
Spices	1,127,933
Vinegar, made for sale, spirit	1,145,678
Do., Cider	241,192
Do., Malt	137,451
Cooking oils	*
Toilet paper, converted	2,491,523
Waxed paper	4,049,093
Chocolate coating (for sale)	1,618,093
Cocoa	1,217,678
Cocoa & chocolate preparations, other	357,497
Food drinks (powdered)	404,190
Other commodities: Cocoanut, processed, zinc fruit jar rings, corn starch, edible and laundry, corn syrup and tapioca	4,449,363
Total	137,500,000

*Not reported separately.

Company Reports

Gatineau Power

Favored by good water conditions, operations of Gatineau Power Co. continued high in 1941. While gross revenues were somewhat higher, increased provision for income taxes brought net profits down to 75 cents a share, as against 82 cents a share the year before.

Water conditions have continued favorable in the first quarter of 1942 and the increased demand for power has required additions and extensions to existing facilities, according to Gordon Gale, president. He adds the installation of additional generating equipment is under consideration.

A feature of the balance sheet was the reduction of $1.4 million in company debt.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Gross income	10,004,727	9,779,022
Less: Expenses	1,682,570	1,628,050
Bond interest	2,352,276	2,352,678
Debent. interest	755,920	800,423
Exchange loss	331,030	251,457
Depreciation	1,200,000	1,200,000
Amortization	170,609	190,006
Tax provision	1,457,652	1,195,175
Net profit	2,054,670	2,161,233
Less: Pfd. dividends	802,300	802,300
Com. dividends	1,163,729	1,329,445
Surplus	88,641	29,488
Earned on Common	$0.75	$0.82
Working Capital	$	$
Current assets	4,210,097	3,603,836
Current liabilities	4,218,890	3,917,162
Working capital*	8,793	313,326

*Excess of liabilities.

Balance Sheet Changes	$	$
Cash	2,808,334	2,454,272
Investments	314,644	114,645
4¼% debentures	600,000	1,200,000
Prom. notes	4,500,000	5,300,000

Regent Knitting

Regent Knitting Mills reports an increase of 8.3% in total sales during 1941 was more than offset by advances in material and labor costs as well as in other expenses. As a result net profit available on the common stock totalled $28,887, or 44 cents a share, as against $164,205, or $2.52 a share the year before.

Feature of the balance sheet is an increase in inventories. In this connection C. G. DeTonnancour mentioned the increase, in the opinion of directors, was an essential precaution necessitated by the difficulty of transporting wool from the Antipodes. During the period, he said, a large amount of old equipment was scrapped or sold and replaced with modern machines. On March 1, 1941, $45,000 first mortgage bonds matured and were repaid and a further $25,000 were repaid on March 1, 1942.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
Gross income	$603,359	$746,958
Less: Expenses, etc.	321,407	269,692
Loan interest	26,698	25,854
Debt reserve	451	4,121
Amortization	3,385	3,385
Bond interest	16,626	17,375
Depreciation	142,258	137,637
Invent. reserve	......	*
Tax provision	38,047	99,087
Net profit	54,487	189,805
Less: Pref. divd.	25,600	25,600
Com. divd.	16,252	16,252
Surplus	12,635	147,953
Previous surp.	†124,546	▲23,067
Surp. forward	137,177	124,886

*$100,000 charged off but taken into surplus in 1941 accounts.
▲Deficit. †Adjusted.

Earned on com.	44c	$2.52
Working Capital		
Current assets	$1,815,561	$1,576,402
Current liabilities	715,036	589,190
Working capital	1,100,525	987,212
Balance Sheet Changes		
Inventory	$1,311,555	$1,095,831
Bank loan	350,000	335,000
Bills payable	24,761	9,772
Accts. payable	247,018	158,878
Funded debt	425,000	450,000

Bowater's 1941 Output Establishes New Record

From Our Own Correspondent

MONTREAL. — Bowater's-Newfoundland Pulp and Paper Mills Ltd., at Corner Brook, reports production in 1941 of 168,488 short tons of mechanical pulp and 62,602 tons of unbleached sulphite. This contrasts with 167,414 tons and 44,686 tons, respectively, in 1940.

The company further reports 25,105 tons of unbleached sulphite were produced for export in 1941 against 9,877 tons in 1940.

Bowater's operated at full capacity throughout 1941, production constituting a new record. The new sulphite mill, designed to produce more than 100 tons of sulphite per day, was opened on March 24, 1941.

Maritime Telegraph and Telephone Co. reports net gain in February of telephone installations of 593, bringing the number in service to 52,474. The Island Telephone Co., a wholly-owned subsidiary, reported a net gain of 53 and the number of stations in operation 4,826.

Total volume of toll traffic in February was 168,918 calls, an increase of 5,262 over the same month last year.

Auto Insurance Rate Reduction Now General

Independent Companies Announce Lower Premiums in Ontario Territory

Announcement of reductions in public liability and property damage premium rates this week by the independent companies, members of the Ontario Automobile Insurance Conference, following closely a similar one by the Canadian Underwriters Association last week, means that both main groups of companies, are now offering insurance on private passenger automobiles at substantially lower premiums. Reductions now apply in about 85% of the total of this class of business written in Ontario.

The cut announced by the independents or non-tariff companies is 20% on both coverages and applies to private cars in Ontario in the two lowest gasoline categories A or B, but not Bx.

To qualify for the lower premium rates, cars must fall in the categories named and must not be operated by:

Any person under the age of 25 or over 65.

Any inexperienced operator.

Any person with a serious physical impairment.

Reductions for farmers' private cars within the two categories are practically the same as those indicated, calculated on a different basis.

The main differences between the reduction of the independent companies and that of the tariff group is that the latter does not include cars used for business. The reduction of the non-tariffs takes no cognizance of whether a car is driven for business or not.

The C.U.A. also made a reduction of 10% on cars not driven for business irrespective of mileage, the 20% reduction applying to cars not driven for business or more than 7,500 miles and operated by not more than two drivers in the insured's household, each of which must be at least 25 years of age.

Power Shift To Aluminum

(Continued from page 1)

mills capable of producing approximately 900,000 tons of newsprint annually would be affected. This does not mean, however, that these mills would be shut down permanently, but only during the period of emergency needs. Later developments will likely depend on bringing in new power plants as a continuing shortage of power in Quebec and Ontario seems in prospect.

It should also be pointed out that shifting of production from newsprint mills affected by power shortages to others not so affected would probably be utilized to relieve a portion of the threatened newsprint shortage. Newsprint mills in Canada have not been working at capacity in recent months and have a considerable amount of flexibility.

This situation has created considerable discussion in the United States where there are fears of a shortage of newsprint supplies with 75% of that country's needs coming from Canada. Canada is reported to have asked the War Production Board in the United States whether it considered production of newsprint or aluminum more important. It was made clear that, while Canada had enough power to maintain production of each product at current rates, there was no room for expansion. The situation was such that the U. S. was asked to make its choice and apparently the decision was that aluminum comes first.

City & Districts Bank Elects New Officers

From Our Own Correspondent

MONTREAL. — Dr. Donald A. Hingston has been elected president of the Montreal City and District Savings Bank. He was previously vice-president and succeeds the late Rt. Hon. Raoul Dandurand.

Henry J. Trihey, K.C., has been elected vice-president and Hon. Leon Mercier Gouin, K.C., has been elected a director.

HOLD HIGH THE TORCH OF FREEDOM

A VAST ARMY OF DEPOSITORS Serving Our Country

Our customers have more than a million deposit accounts, through which they use the Bank for protecting their savings and commercial funds, paying their obligations and generally financing their business.

Thus the Bank serves a great army of citizens who in turn are serving Canada in a multitude of peace-time and war-time activities.

The influence on the country's destiny of this army of thrifty citizens is beyond estimation. The Bank is proud to serve and co-operate with them.

BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service . . . the Outcome of 124 Years' Successful Operation

A165

U. S. Paperboard Output Is High

From Our Own Correspondent

MONTREAL. — Production of paperboard in the United States in February was 530,609 tons, an increase of 24.4% over the output for the same month last year, and a gain of 32.7% over Feb., 1940. Production in February was 98.1% of the rated capacity for the 109 concerns reporting.

There was a slight decline in new orders received during the month, while unfilled orders at the end of the month totalled 389,700 tons. The latter figure contrasts with 202,284 tons at the end of February, 1941.

Ceiling Impasse Over Beef

(Continued from page 1)

the base period. This was done in the belief that packers would thereby be afforded a measure of relief in that they could henceforth charge many customers a price lower than their "overall" ceiling and thus increase their "spread." The order is said to have proved almost unworkable in many instances and has been received with little enthusiasm either inside or outside Ottawa. It is interpreted as offering little if any hope of a solution.

Packers maintain they cannot purchase cattle at existing prices and still operate within the ceiling. It is reported that on some days sales at public markets are only a fraction of the offerings.

If beef supplies for Canadian consumption now dry up entirely (as is presently threatened) chief hope for a solution seems to lie:

(a) In outright higher consumers' prices for beef (a puncturing of the retail ceiling).

(b) Establishment in the United States of overall price control which would permit an agreement between the two countries as to the relative price of cattle in Canada and the United States.

Dosco Turnover At $83 Millions

Over 28,000 Workers on Payroll, Says Arthur Cross at Annual Meet

From Our Own Correspondent

MONTREAL. — Volume handled by Dominion Steel and Coal Corp. in 1941 had a value of $83 millions against $82 millions in 1940, according to a statement made at the annual meeting of shareholders by Arthur Cross, president. An average of some 26,000 employees was engaged by the company and its subsidiaries during the year. Now there are over 28,000 workers on the payroll.

Rehabilitation of the 110-inch plate mill, Mr. Cross reported, was completed two months earlier than estimated. This unit has been producing plates vitally needed for Canada's shipbuilding programme since March 17 last.

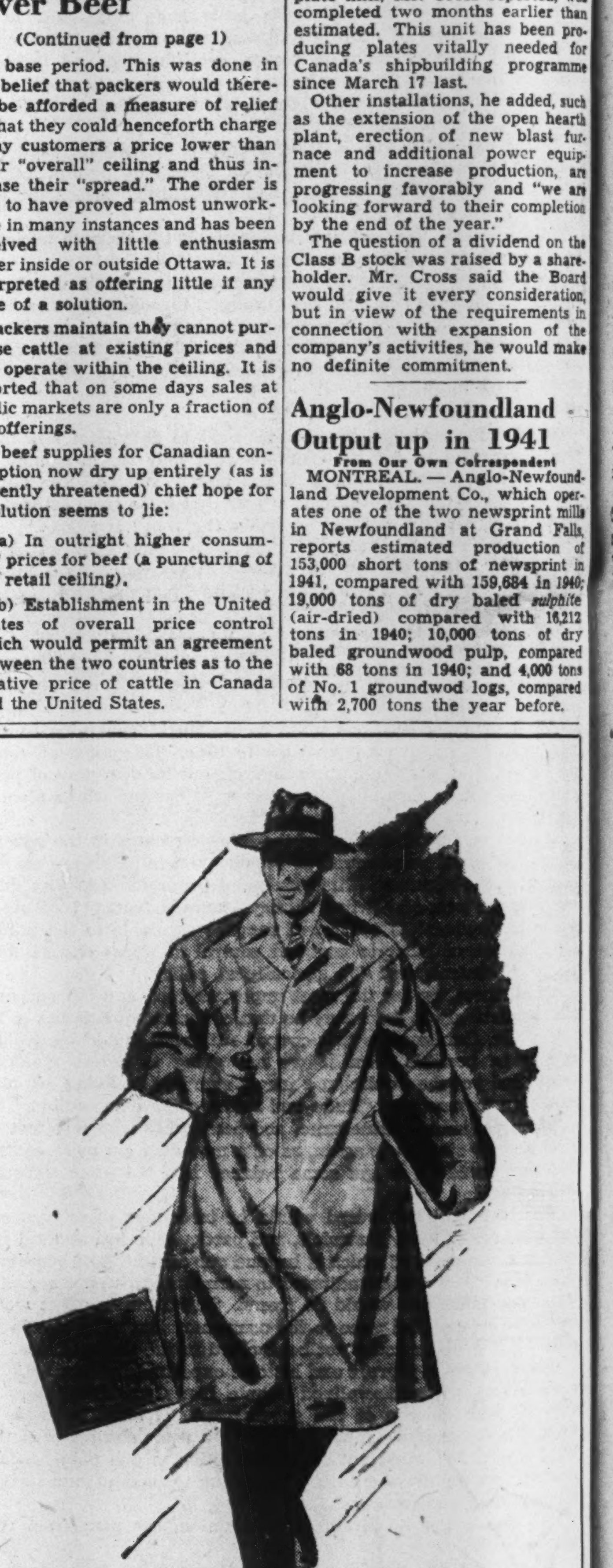
Other installations, he added, such as the extension of the open hearth plant, erection of new blast furnace and additional power equipment to increase production, are progressing favorably and "we are looking forward to their completion by the end of the year."

The question of a dividend on the Class B stock was raised by a shareholder. Mr. Cross replied that the Board would give it every consideration, but in view of the requirements in connection with expansion of the company's activities, he would make no definite commitment.

Anglo-Newfoundland Output up in 1941

From Our Own Correspondent

MONTREAL. — Anglo-Newfoundland Development Co., which operates in Newfoundland at Grand Falls, reports estimated production of 153,000 short tons of newsprint in 1941, compared with 159,684 in 1940; 19,000 tons of dry baled sulphite (air-dried) compared with 16,212 tons in 1940; 10,000 tons of dry baled groundwood pulp, compared with 68 tons in 1940; and 4,000 tons of No. 1 groundwood logs, compared with 2,700 tons the year before.



All-Weather Coats
From 12.50 - 25.00
(Illustrated "Newton Downs" at 13.75)

- Fine weatherproofed cotton gabardine and poplin.
- Self-lined for double protection.
- Popular fawn shades.
- Fly-front balmacaan style.
- Raglan shoulders.
- Sizes 36 to 44 for regular, tall or, short builds.

Simpson's
The Store for Men — Second Floor

This Week The Financial Post Asks

President Roosevelt says we need a name for this war What is your suggestion?

E. R. Adair,

Professor of history, McGill University, Montreal.

The name "SECOND GREAT WAR" is straightforward and frequently used but is cumbersome. If you desire a briefer title, either the NAZI WAR or HITLER'S WAR seems suitable. Naming a war after a people has historical precedent—the Punic war, Afghan war—and so far the Nazis have been the most important factor common to all fronts. Hitler's war might be even better.

Whatever were the remoter causes, the war was started by Hitler's policy. He has played a more important part in it than any other man, and it may end with his downfall.

* * *

A. Emile Beauvais,

Chartered Accountant, Quebec City.

THE CIVILIAN'S WAR.

Every civilian in any part of the world must perform his total effort to defend, maintain, or regain his rights and liberties. The time is past when civilians could depend solely on the armed forces for defense. They must now realize that this is a war in which everyone must participate to such an extent as his government may direct.

Civilian sacrifices, no matter how difficult they may be, must be willingly accepted if we are to achieve, not only for ourselves, but for future generations, the victorious peace and resulting liberty we are fighting for.

* * *

Harold W. Donahue,

Business Consultant, London, Ont.

To give a name to this war is like trying to array in one or two words all the forces of good against all the forces of evil including the Axis powers and what they stand for. Your request is a challenging assignment.

In years to come it is my opinion that future generations will refer to and record in history that this is and was a "LIBERTY WAR." It did not start that way but it is the way it has developed and will end.

To be deprived of political, economic, religious and civil liberties is, for free men and free nations, to be deprived of the very essence of life. That this will never again happen to the nations of the world. We and our allies are engaged in a vigorous, concerted, all-out action—a "Liberty Pledge"—a living, fighting, invincible guarantee, whose force will be felt in every corner of the earth.

This, then, is our sacred oath—that liberty shall never die. To this cause have we pledged ourselves, to this end we are achieving our final victory.

H. N. Fieldhouse,

Professor of history, University of Manitoba, Winnipeg.

THE WAR OF LIBERATION.

This war is no longer than that which we entered in 1939. Britain and France took up arms to defend the system of national states which was threatened by German expansion. That system was crushed by June 1940, and Germany poses as uniting Europe against a non-European British Commonwealth, Russia and the U.S.A., thereby gaining more continental support than we realize.

Last time, the European war spread into the World War. This time, Germany had won the European war before the World War, caused by attacks on Russia and United States, began. It depends on the WAR OF LIBERATION, which was begun in 1941, whether the lost European war of 1939-40 can be retrieved.

* * *

Rex Frost,

News Commentator, Radio Station CFRB, Toronto.

In my opinion no new name is needed for the present war. Its major unique physical characteristic has been adequately described as "THE TOTAL WORLD WAR."

Any phrase descriptive of its social purpose should illustrate that we are fighting to establish an order of the future based on the evolution of peaceful reason and necessity rather than the revolution of armed force. Call it TOTAL EVOLUTIONARY WORLD WAR—the war to prove that total force is a total farce.

* * *

John Murray Gibbon,

General Publicity Agent, Canadian Pacific Railway, Montreal.

The WAR FOR LIBERTY is my choice of name because that thought above all inspires the peoples of the United Nations. "Liberty's in every blow" sang Burns in Scots Wha Hae. Shakespeare wrote, "I must have Liberty." The inscription on the Liberty bell in Philadelphia reads, "Proclaim Liberty throughout all the land."

The world's most inspiring statue is that of Liberty enlightening the world at the entrance to New York harbor. The word Liberty needs no translation for any member of the United Nations. The free French have retained the word "Liberte" in their national slogan which Vichy has abandoned.

* * *

John A. M. Galilee,

Advertising Dept., Canadian Westinghouse Co., Hamilton.

"THE WAR FOR WORLD UNITY" because, as Richard Law, Parliamentary Under-Secretary of State for Foreign Affairs, stated recently, "Technical development has so integrated the society of mankind that the national state is no longer a possible economic or military or political unit."

We fight for world unity with the promise of continuance of social progress or we accept chaos and decadence. The crossroad has been reached. We must choose. The sooner we realize this and the harder we all work, the sooner our aims will be realized.

* * *

B. W. Keightley,

Advertising Director, Canadian Industries Ltd., Montreal.

Sorry, but I have no bright ideas. Finding a new name will not win the war.

* * *

Newton Kendall,

Columnist, Evening Telegram, Toronto.

Why not call the conflict "HITLER'S WAR." He started it, and he should shoulder the infamy which must increase with time. As the world's most dangerous personality, Hitler is the natural target on which to focus hatred of the millions he has made to suffer.

Only the future can show what name this war will bear permanently. But calling it "HITLER'S WAR," now surely meets the present needs of democracy in peril.

* * *

Wm. Kirby,

Historian and writer, Niagara-on-the-Lake, Ont.

THE EVOLUTIONARY WAR.

The whole of man's existence has witnessed an advancement one age over the other. All religions have been founded upon evolutionary or man's movements by violent upheavals to improve his way of life. His final and greatest benefit was the introduction of Christianity. This, however, cannot be considered a finality to a Divine plan. It cannot stop there else man becomes stagnant. Upon this stone must arise a better world and blending of ideologies and the future for an age to come will depend upon how well we project for futurity the progress we have got by Christianity of today.

* * *

Cecil Lamont,

Vice-president and public relations director, North-West Line Elevators Association, Winnipeg.

"THE PEOPLE'S WAR" is a name which might be used for the struggle in which all the peoples of all the continents and even remote islands are now engaged. All persons—man, woman and child and their possessions might be the target for a bomb at any hour. This was unlike past wars and involves the lives, the efforts, and the property of all the people.

This is not a war of governments or of capital. It is a war in which the future of all the peoples' democracies and totalitarian states alike is at stake.

* * *

Eugene Leheureux,

Managing Editor, L'Action Catholique, Quebec City.

I suggest "THE UNIVERSAL WAR." No previous war was given that name. None has shaken creation to such an extent. The next peace treaty and reorganization of the League of Nations must make return of such a cataclysm impossible. It should therefore be the first and also the last universal war.

* * *

D. C. McArthur,

Chief Editor, CBC News, Canadian Broadcasting Corp.

I suggest the naming of this war is best left to the historians and that "WAR TO SAVE OUR SKINS" is all that is needed to describe the grim reality of the moment. Mr. Churchill coined a beautifully apt title, "Battle of the Bulge" but literary aptness did not prevent the enemy from winning that battle. It's time democratic leaders forgot phrasing and concentrated on fighting.

* * *

A. M. Miller,

Former Advertising Director, Chrysler Corp. of Canada.

My suggestion for President Roosevelt's name for the war is "EVERYMAN'S WAR FOR WORLD FREEDOM." The justification for this is that this is a war to retain the freedom of present free nations and to liberate peoples of conquering nations and of conquered nations.

* * *

Chester W. New,

Professor of history, McMaster University, Hamilton, Ont.

President Roosevelt apparently wants a name to define the war for the average man. I would suggest WAR FOR WAY OF LIFE or EVERY MAN'S WAR.

All man's hopes for a better way of life and all his fears that his way of life will be completely smashed are involved. EVERY MAN'S WAR does not suggest the issue so sharply but it is characteristic of this war and it emphasizes responsibility as well as scope.

* * *

Hon. Wm. R. Riddell,

Of the Court of Appeal for Ontario and prominent student of Canadian history.

This is a WAR FOR HUMANITY.

If humanity is to be increased, or indeed continued, in our world we must win. The enemy is fighting for a world of force—brutal force unlimited by any consideration of humanity, of justice, of right. No advance in civilization, no improvement in the lot of human beings is sought. Man is to be an abject slave forced to obey the orders of a few heartless, conscienceless masters who are bound by no rule and influenced by nought but their own will and their own desire.

Is it not worth fighting for a world of humanity and not of force? And can it be doubted that our war is a war for humanity?

* * *

Russell C. Ronalds,

President, Ronalds Advertising Agency, Montreal and Toronto.

I suggest "FREEDOM CRUSADE" as the name for the World War II. That is short and to the point and has a grand international historic rallying ring to it for all countries of United Nations. It is full of inspiration and meaning for the armed forces and the home front including all of our Canadian and Allied writers and painters.

* * *

W. R. Plewman,

Author of "War Reviewed" column in the Toronto Daily Star.

The war might be called "THE CRUSADE OF FREE MEN AGAINST OUTLAWRY," shortened into a slogan of "FREE MEN VERSUS OUTLAWS."

The Allied nations have a common aim, a cause that transcends national boundaries and interests, and seeks the highest good of humanity without discrimination. Their goal is an orderly, neighborly world, in which everybody lives securely in peace and quiet, free from tyranny, dictation or injustice or the horrors and threats of war, a world in which business is not made impossible by international strife nor happy homes shattered by thuggery, nor culture hampered by insane restrictions. The war is a struggle for law and order. It is a struggle for security. Above all, it is a struggle for neighborliness. The Allied nations are the world's Citizens' Committee to end the rule of gunmen.

* * *

W. N. Sage,

Professor of history, University of British Columbia, Vancouver.

I suggest the AXIS WAR OF AGGRESSION. The Berlin-Rome-Tokyo axis is the diplomatic core of the great conspiracy against the rest of the world. Blitzkrieg methods, including co-ordination of sea, land and air attacks, have given the advantage to the aggressors. Although potentially superior the United Nations have not yet perfected the new techniques. The future is ours if we make full use of the present.

* * *

G. L. Spry,

Huron & Erie Mortgage Corp., London, Ont.

Following the World War there were seven nations not altogether unlike the wise and foolish virgins whom we people of the Allied nations read about. Three of them devoted about 25 years to getting their lamps in order. Four were complacently quibbling about such trifles as the size of the wick.

And while Germany, Italy and Japan now have the whole lamp functioning the British Empire, Russia and America are scurrying to get their lamps in order. The lamp of France exploded. Is this just another war to preserve democracy or is it an attempt to make a cockeyed world see straight? Let's call it the "COCKEYED WORLD" WAR

* * *

J. Gordon Smith,

B. C. Government Travel Bureau, Victoria, B.C.

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More than a struggle for freedom. This is a Holy war. Like the prophesied Armageddon it is against an anti-Christ and lackeys not only to frustrate enslavement of free peoples but to frustrate those who would substitute pagan doctrines for Christian principles and deprive freedom - loving peoples of rights they value more than life itself.

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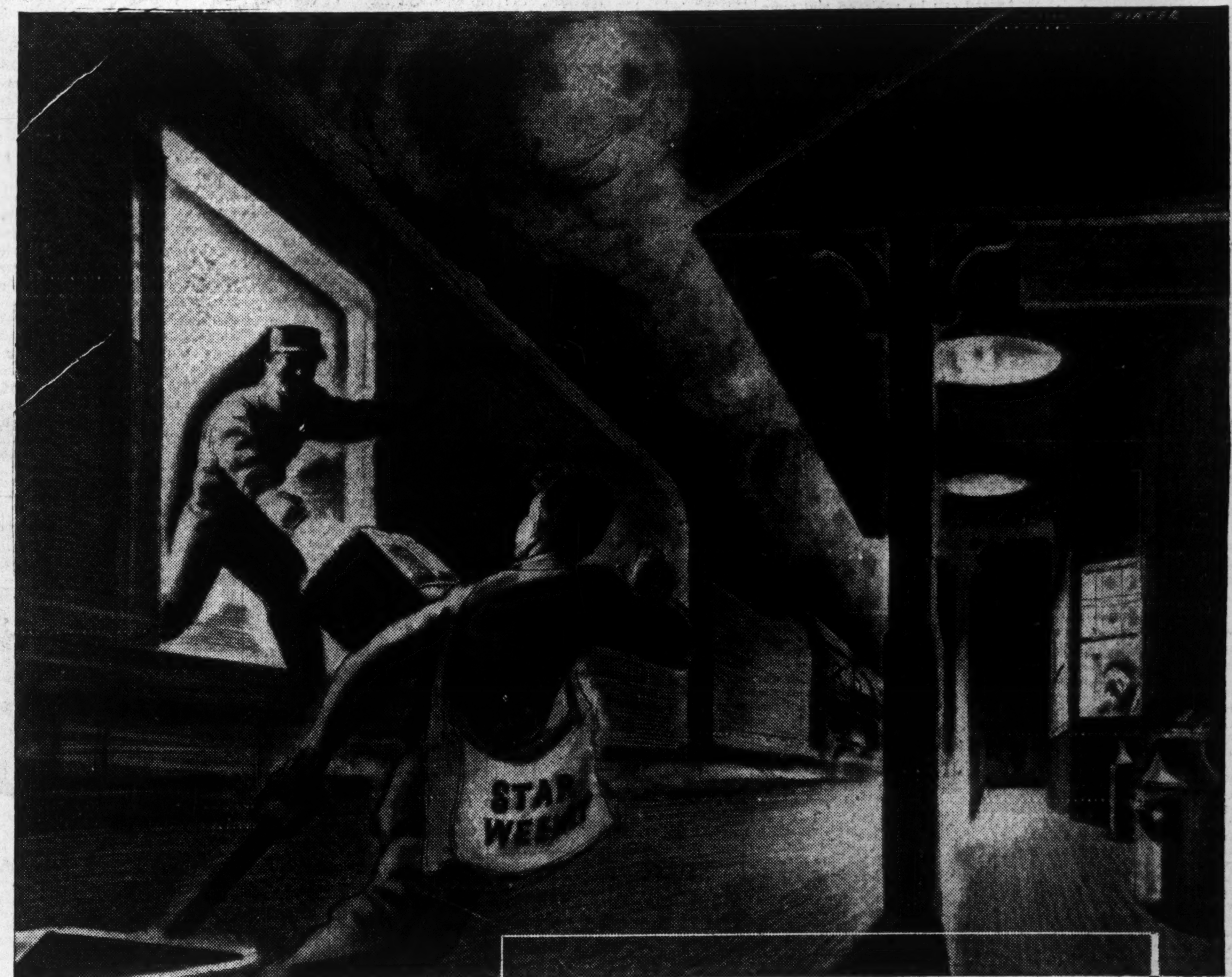

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All Set for Record Lake Shipping

Great Lakes Season Opens Early With Big Year in Prospect

Steamship operators on the Great Lakes are getting and giving vital help this year by opening navigation at the earliest date in history.

Not all lake ports were ice-free when the grain carrier, Sir Thomas Shaughnessy, sailed into Port Arthur on March 29, first time in history that navigation had opened to this harbor in March, but most of them were open shortly after.

In the 1941 season all records for carrying such vital raw materials for war as iron ore were broken when 89.7 million tons were carried from ore fields of Minnesota and Wisconsin to the steel mills served by Lake Erie and Lake Ontario ports. This year, the objective is to boost this total above 100 million tons.

Without this ore the steel mills at Pittsburgh, Detroit, Hamilton, Cleveland and other centres may not be able to do their share in supplying the insatiable demands for steel.

This waterway, shared by Canada and the United States, is icebound each year from about the first of December until the end of March.

New Wartime Conditions

Lake freighter operators this year are working under new conditions. No Canadian shipowner may charter his ships, even to himself, without the permission of Canada's Wartime Shipping Board which has to approve all charters. This is part of a larger scheme whereby ships are sent wherever the need is most critical. It means that a grain company owning a few ships of its own cannot be sure that it can use its own ships to bring wheat down the lakes to Ontario points where it is to be milled into flour. The Shipping Board may decide it is more important for the overall war effort that this boat should take a load of iron ore to Hamilton, or of coal to Toronto. The most that such boat owners have been able to get for certain is the assurance that the first trip or two will be for their own use.

There is going to be no lack of freight tonnage for the entire Canadian and United States fleet of 750-odd ships to be kept busy this year, but it may not be the type of freight that some of them have carried in the past.

Less Package Freight

Last year, and for many years before, it was the custom of many of the smaller and medium sized boats to bring a cargo of grain from the head of the lakes to some port on Georgian Bay, Lake Erie or Lake Ontario and for return cargo pick up a load of package freight. The lake shipper classes everything as package freight that is not handled in bulk.

Ore Down — Coal Up

For the ore carriers—normally the major job of a great portion of the U. S. fleet—there is coal going back to the head of the lakes or to intervening ports. But even in normal years it takes fewer ships to take all the coal that the industries of the lakehead region and the people living there need than it does to take down the iron ore that steel mills require for record production. Bituminous coal last year totalled 50 million tons, iron ore 90 million. This year, moreover, there are likely to be more trips in ballast up the lakes because greater speed can be achieved and more trips with the vital iron ore made.

It is doubtful, however, if the relative shortage of package freight will be great.

Coal For Ontario

For Canadians, the lake boats take on another significance in that we get by far the greater proportion of the coal used in Ontario by boat from U. S. mines. With Nova Scotia unable to supply its own markets, no coal from that district can be expected in Ontario this year and probably far from enough to supply the Montreal market. Welsh coal used to be justifiably popular with Ontario householders but here again the supply available was totally inadequate to meet the demand last winter and is likely to be even less ample this year.

Passenger Traffic

Passenger traffic on the Great Lakes is less important than it was a few years ago. More than one American line used to provide regular service for passengers from Lake Erie and Detroit river points to Lake Michigan and Superior points. Most of these services have disappeared or been modified.

For some years, major passenger traffic on the Upper Lakes has been in the hands of two Canadian companies, Canada Steamship Lines through its subsidiary, Northern Navigation Co., and the Canadian Pacific boats from Georgian Bay ports. The Northern Navigation ships had their lower terminus at Detroit and made regular trips to Fort William, Port Arthur and Duluth.

Restrictions on automobile travel may turn people back again to the lake ships in greater number this year, but even for the passenger ships, the mainstay has always been package freight.

Oil Tankers

A highly-specialized type of traffic on the Great Lakes is the transport of oil. Already, the press has carried news of the grounding of two Imperial Oil tankers attempting to make early runs into Port Stanley on Lake Erie from Sarnia. Practically all cities and towns along the lakes are equipped with large oil and gasoline storage tanks which are kept supplied by lake tanker. Refineries at Toronto, Port Credit, Petrolia and, to a limited extent, Sarnia are supplied with crude oil brought by tanker from United States sources of supply.

About 25% of Canada's crude oil imports come by lake tanker and an unknown, but large percentage of refined products move to market the same way.

The Investor's Angle

Largest operator of lake shipping in Canada and one of the largest on the lakes—is Canada Steamship Lines with 74 ships, 62 freight and 12 passenger. There is a wide investment interest in this company's securities and it has just been reported for 1941 higher profits and stronger financial position than in any year since 1920.

Also of interest to investors is Colonial Steamships, also expected to report record earnings for 1941 with nine ships.

Then there is an indirect interest in such companies as Canadian Pacific, Algoma Central and Hudson Bay and Canadian National, all of whom operate lake boats.

Another Good Year

For these companies, 1942 promises a continuation of the high earning power demonstrated for 1941. There is no question as to the volume of bulk freight that will be available. Ships will be working to capacity and this means good earnings.

Expenses will be higher, perhaps 25 cents a ton on coal and a relatively small amount on wages and supplies of various kinds. But this will not offset the all-important factor of crowding as many trips in as the length of season will permit. Ship owners report good success to date in securing crews for their ships and no recurrences of labor difficulties that marred 1940's operations.

All this adds up to a high rate of earnings but perhaps not one much above that reached in 1941. That year, too, capacity operation of ships was the rule and not much can be added this year. Moreover, 1942 is likely to see somewhat higher operating costs while freight rates remain fixed. The season opens with 3¼ cents a bushel being received for grain from Fort William to Georgian Bay, Lake Huron or St. Clair ports, same as last year but a lot better than the 1½ cents a bushel received only a few years ago. For package freight also the rates are the same as last year, and Canadian shipowners would have to meet the Wartime Prices and Trade Board if they attempted an increase. Such action is regarded as highly unlikely in view of the likelihood of capacity operations.

New Freighters

This season seems likely to find the honor of having the largest freighter on the Great Lakes wrested from Canada. For many years, Canada Steamship Line's "Lemoyne" has been the lakes' largest ship. This year the Pittsburgh Steamship Co. is going to operate at the start of the season the "Leon Fraser," a new boat that exceeds the "Lemoyne" in over-all size and tonnage. The "Lemoyne," built at Midland, Ont., in 1926, has a length of 621 ft., is 70 ft. wide and has a tonnage of 14,500 tons. It can carry over 600,000 bushels of wheat at a single load. The new ship is reported to be 639 ft. long, 67 ft. wide and to have a gross tonnage of 18,600 tons. It is to be followed by four sister ships.

Traffic on the Upper Lakes this year is likely to be handled on a better scale than is that on the Lower Lakes and through the St. Lawrence canals. Size of the ships that can go from Lake Ontario through the St. Lawrence river is limited by the 14-ft. depth of the canals whereas the 25 ft. Welland canal can accomodate practically any ship on the lakes.

U. S. Builds Ships

No new ships are being constructed for Canadian shipowners but several are being built in the United States. Sixteen ore carriers are being built for the U. S. Maritime Commission in addition to the five for Pittsburgh Steamship already mentioned. How many of these will get into service this year is not known. In addition, 12 ships that formerly carried automobiles from Detroit factories to points all along the lakes may be shifted to handling ore, coal or grain—after a certain amount of rebuilding.

Trends IN INVESTMENT

Feature of Canada's security trade with other countries in January was the large proportion which net sales of Canadian bonds and debentures made of the total. Investors in the United States bought $4.3 millions, largely Canadian government and guaranteed issues, out of total net sales of $4.8 millions. Practically all of this trade is now done with the United States and a feature of each month's transactions since the war started has been the steady, although rather slow, liquidation of Canadian holdings of U. S. securities. This has its origin in Foreign Exchange Control Board rulings designed to prevent export of capital and encourage sale of securities which result in adding to our available balance of U. S. dollars. In both volume and extent, however, this trade is only a small fraction of its prewar total and importance.

The U. S. Treasury reports a $71 millions drop last year in Canada's holdings of U. S. securities and other property. Sources in that country expect further liquidation of our U. S. assets to help meet a growing shortage of U. S. dollars.

* * *

Stock markets have been almost devoid of interest for some evidence that investors now pay more attention to the "war baby" type of stock which was carefully avoided in the early months of the war. Some of the stocks of smaller steel companies, and also Dosco B shares, have received considerable attention.

There isn't enough evidence yet to substantiate a belief that stocks will not go lower before reaching a firm bottom. This probably has its origin in the twin factors of changing fortunes of war and the growing restrictions on normal production and sales for civilian use.

* * *

Buyers in Canada report a very much improved tone of general business conditions, according to the bulletin of the National Association of Purchasing Agents. Some of the concern of a few weeks ago was relieved by the Victory Loan oversubscription. A serious problem is the dislocation in many industries, formerly regarded as essential lines of production, and transportation difficulties.

As regards inventories, it is reported for Canada that non-essential inventories continue to decline and there is difficulty in holding inventories of many important staple lines. An acute shortage of efficient and specialized labor is becoming noticeable in Canada, it is stated.

Hamilton Bridge Co.'s balance sheet at the end of 1941 shows a drop in working capital of about $78,000. It is pointed out to The Financial Post that over $500,000 was spent in capital additions to the two plants last year. Although this money was spent last year, no revenue was obtained from these new plants and the income tax department ruled that it was not permissible to write off any of this against 1941 earnings. Permission has been obtained to write this entire investment off during 1942. This situation coming at the year end actually gives an unduly unfavorable working capital picture.

Abitibi Case Is Argued

Liquidator Seeks Order Admitting to Privy Council

Application of R. S. McPherson, liquidator for Abitibi Power & Paper Co., for an order to admit the Abitibi case to the judicial committee of the Privy Council is hinging chiefly around the constitutional question of whether or not the Ontario Legislature's Moratorium Act, and other legislation on the subject, is within its powers. The case is being heard before Chief Justice Robertson, Mr. Justice McTague and Mr. Justice Masten of the Ontario Court of Appeal.

The liquidator is opposing completion of Mr. Justice Middleton's order granting a judicial sale of the Abitibi assets. The Ontario Court of Appeal has already thrown out an attempt to have this sale stopped.

D. L. McCarthy, K.C., appearing for the liquidator, maintained that right to take the case to the Privy Council already existed. A. G. Slaght, K.C., counsel for the preferred shareholders' protective committee, supported the request for leave to take the case before the Privy Council. He stressed the equity aspect of the case under which shareholders contend they are prevented from acting to protect their interests by unusual circumstances due to the war.

W. N. Tilley, K.C., representing the Montreal Trust Co., trustee for the Abitibi 5% first mortgage bonds and plaintiff in the case, contends the Ontario Abitibi Moratorium Act is invalid and bases his opposition to the request for the order admitting the case to the Privy Council largely on this ground.

Inventories Climb 13.8% Over Previous Year

Inventories of Canadian wholesalers at the end of February were appreciably higher than a year earlier, a Dominion Bureau of Statistics survey reveals. Covering nine different trades the survey shows a gross increase for the nine of 13.8% over inventory value at Feb., 1941.

Among the individual trades footwear shows the greatest inventory increase over a year ago at 36.1%. Next comes automotive equipment at 26.2% and fruit and vegetables at 22.2%. Following behind with their gains are hardware at 16.3%, groceries at 13.3%, drugs at 10.4%, tobacco and confectionery at 9.1% and dry goods at 5.8%.

Sole trade among the group to show a decline from a year ago is clothing with a drop of 5.3%.

Dollar sales of wholesale merchants in Canada averaged 23% higher in February than a year ago, and about 2% over January. The February D.B.S. index of sales stands at 135.9 compared with 132.2 for January and 110.6 for Feb., 1941.

Compared with a year ago sales in B. C. increased 24%, Ontario and the Prairies 23%, Quebec 22% and the Maritimes 18%.

Indexes of wholesale sales by trades for February, January of 1942 and February, 1941, follow:

Wholesale Trade Index
(1935-39 Equals 100)

	1942 Feb.	1942 Jan.	1941 Feb.
Automotive equip. ..	165.7	172.1	111.1
Drugs	153.2	159.8	129.8
Clothing	143.1	97.7	100.0
Footwear	153.5	98.0	104.9
Drygoods	150.7	130.8	112.2
Groceries	125.7	127.1	106.4
Fruits & vegetables	118.0	117.0	99.0
Hardware	156.9	148.1	118.3
Tobacco & confec. ..	140.1	142.0	134.4

B. A. Oil Gains In Reserves

Subsidiary as of British American Oil Co. in the United States continue to grow, states A. L. Ellsworth, president. Crude oil production is now being obtained from 420 wells in six states against less than 100 producing wells at the end of 1935. Although more crude oil was withdrawn in 1941 than in 1940, reserves have been "more than maintained."

An interesting test well is now being drilled in Wyoming. This will add substantially to the proven reserves if it is brought into successful production as at present indicated.

Mr. Ellsworth expects demand for petroleum products for war and industry may more than offset any decrease in civilian consumption this year.

Progress in building the new refinery at Clarkson, Ont., was disappointing last year due to delay in obtaining iron and steel equipment. High priority ratings have been granted this year by both Canadian and United States governments, in view of the increasing importance of lubricating oil and aviation gasoline. This will permit continuance of construction at a much faster rate.

Market Opinions

Process of waiting for the next major turn in stock markets continues with no decisive clues yet apparent.

Barron's N.Y. (The Trader)—It is not a question from here on of whether an issue here, or another there, makes a new low, or even whether the stock averages get into new low grounds. The problem is whether the next big and sustained trend is to be up or down. In late 1928 or early 1929 there were those who could see the grief that lay ahead, but it seemed as if the market never would or could break. Today the logic is just as much in favor of the buyer, only it seems as though the market would never turn up.

* * *

Financial World, N.Y.—Although there are signs that selective accumulation of stocks is under way, there is little on the horizon to suggest any need for the adoption of an aggressive buying policy by the average individual. It may be that the lows for the year have already been seen (barring bad news of major importance), but the exercise of patience is not likely to prove a costly procedure — for the next few weeks, at least. There are few investment portfolios that cannot be strengthened by judicious switching, and the present seems an opportune time to take whatever action is indicated along that line.

May Claim More Taxes

U. S. Senate Still Has to Ratify Withholding Tax Agreement

Delay in securing ratification by the U. S. Senate of the recently signed withholding tax agreement between Canada and the United States means that Canadians receiving dividends from the United States still find deductions made at 27½%.

Canadian income tax authorities have already placed the new 15% rate in effect. In Canada, policy adopted on the 1941 income tax is to require a deduction of 5% on interest or dividends received from Jan. 1 to April 29, 1941, and 15% from then on.

The United States imposed withholding tax at three different rates last year. During the early months of the year, the rate was 5%; it was raised to 16½% at the end of April, from July on it was 27½%.

Under the new tax agreement the rate is to be 15% retroactive to Jan. 1, 1941. While full details have not yet been worked out pending final ratification, it appears some Canadians might be faced with claims for additional taxes while others would be eligible for refunds. In the event that a Canadian held a dividend paying U. S. stock on which tax was deducted at 5% at the source in the first quarter of 1941, but sold these securities early in the year, an additional claim might be made to bring the full rate up to 15% as the new agreement provides.

On the other hand there will be refunds on securities bought later in the year which were taxed at 27½%.

For Canadians the income tax department has ruled that the withholding tax rate for 1941 was 5% to April 29 and 15% from then on.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
					(Base 1935-39=100)							
1929-41:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.4	46.5	76.0	76.9	67.0	71.2	60.3	84.6	65.2	63.9
1942: Monthly Figures:												
Jan.	74.3	71.9	74.5	45.9	112.8	88.7	99.2	75.1	64.4	91.1	70.4	66.8
Feb.	73.4	69.3	69.7	43.6	108.7	85.5	96.3	73.9	62.1	91.1	67.7	64.7
1942: Weekly Figures:												
Mar. 5 ...	70.6	66.7	72.9	41.7	106.4	81.5	95.1	74.7	61.5	90.3	67.6	63.5
Mar. 12 ...	69.6	66.0	71.9	40.9	104.2	76.4	91.2	73.8	61.8	89.4	67.1	61.7
Mar. 19 ...	69.3	66.2	71.9	41.3	104.6	75.0	91.8	73.0	62.2	89.3	67.6	62.3
Mar. 26 ...	69.0	66.4	68.7	41.0	103.0	73.4	92.7	73.4	63.0	89.3	68.1	61.8
Apr. 2 ...	69.9	65.3	69.3	41.3	103.3	72.6	93.3	75.0	61.6	88.9	67.2	62.0
Apr. 9 ...	69.4	65.3	69.6	42.1	100.9	73.4	94.7	75.1	61.6	88.9	67.6	62.0

*High and low for years from 1929 to 1941 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Apr. 14	80.52	62.19	61.68	16.43
Apr. 13	81.41	63.32	62.37	16.51
Apr. 11	81.43	63.74	62.34	16.09
Apr. 10	81.15	63.93	62.27	16.06
Apr. 9	81.78	64.65	62.95	16.04
Apr. 8	82.39	65.41	63.30	16.17
Month ago ...	82.37	69.08	63.46	17.01
Year ago	89.88	98.11	62.32	18.17
High 1942	93.50	83.71	71.01	18.86
Low 1942	80.52	62.19	61.68	16.01

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cmd.	10 Pprs.	15 Golds
Apr. 14	40.4	55.9	50.7	58.03	37.77
Apr. 13	41.2	56.1	51.2	60.24	40.72
Apr. 11	41.3	56.2	51.2	61.44	40.96
Apr. 10	41.4	56.3	51.3	62.88	40.96
Apr. 9	41.5	56.6	51.6	63.68	41.17
Apr. 8	41.6	56.9	51.8	64.29	40.93
Month ago .	41.0	56.5	51.3	66.23	41.18
Year ago ..	44.9	55.6	52.0	64.82	76.00
High 1942 ..	43.6	60.5	54.7	77.18	54.83
Low 1942 ..	40.3	55.9	50.7	58.03	37.77

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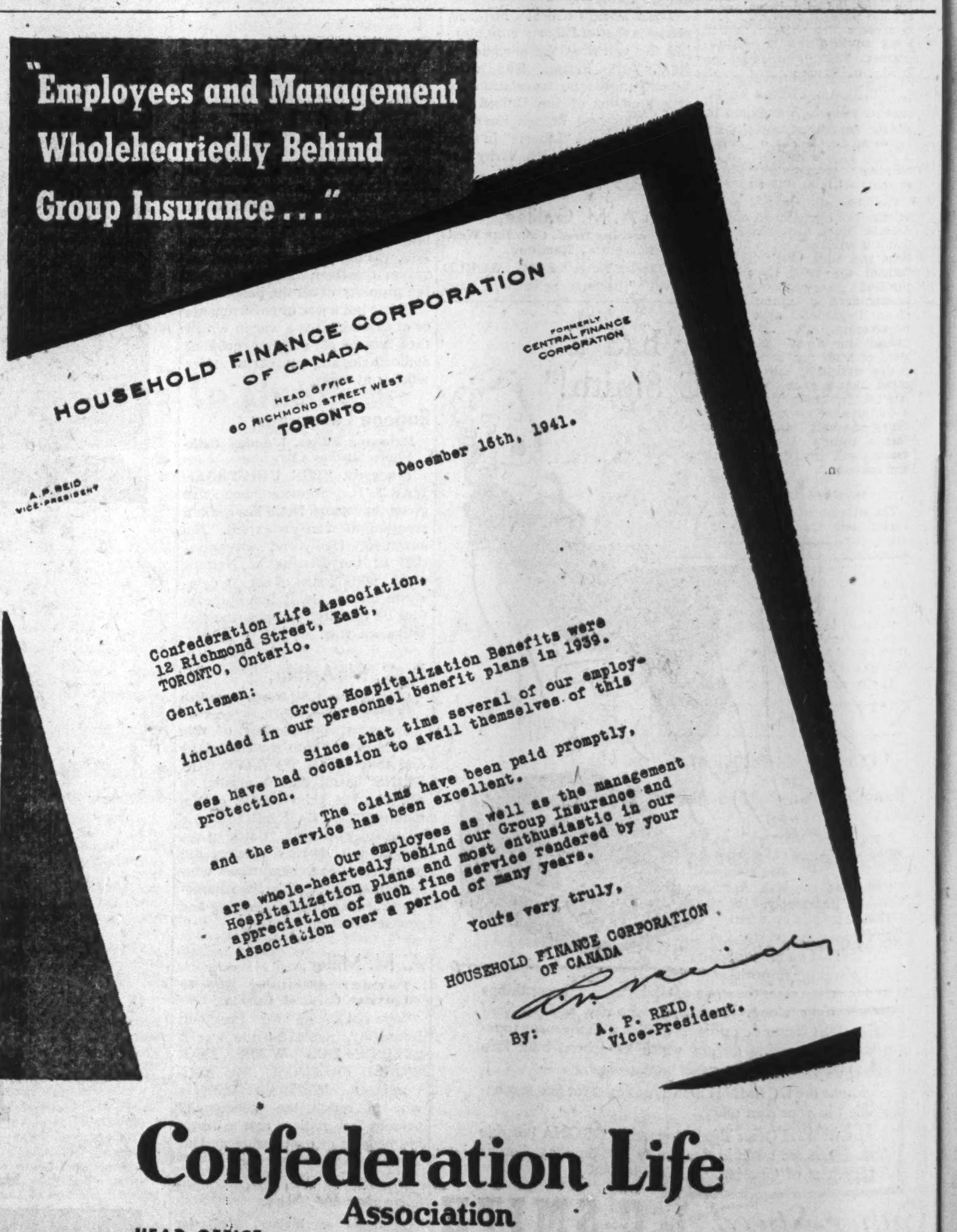

HOUSEHOLD FINANCE CORPORATION
OF CANADA
HEAD OFFICE
60 RICHMOND STREET WEST
TORONTO

FORMERLY
CENTRAL FINANCE
CORPORATION

A. P. REID
VICE-PRESIDENT

December 16th, 1941.

Confederation Life Association,
12 Richmond Street, East,
TORONTO, Ontario.

Gentlemen:

Group Hospitalization Benefits were included in our personnel benefit plans in 1939.

Since that time several of our employees have had occasion to avail themselves of this protection.

The claims have been paid promptly, and the service has been excellent.

Our employees as well as the management are whole-heartedly behind our Group Insurance and Hospitalization plans and most enthusiastic in our appreciation of such fine service rendered by your Association over a period of many years.

Yours very truly,

HOUSEHOLD FINANCE CORPORATION
OF CANADA

By: A. P. REID,
Vice-President.

Confederation Life
Association
HEAD OFFICE TORONTO

Interest Returns Slide Downward

Insurance Investors Expect Further Decline In 1942

As gauged by the experience of life insurance companies 1941 was a year in which the majority of conservative investors sustained a mild easing in the rate of return on their investments. Outlook appears to be for a continuance of that trend this year.

Tabulation of 30 Canadian life insurance companies shows that the interest return on their invested assets for 1941 declined for 17 companies, improved for 11, and held unchanged for two.

Biggest factor in holding the interest return declines to a small fractional percentage and in some cases allowing a better yield to show than in 1940 was the improvement in mortgage accounts. This condition was particularly pronounced in Western mortgages.

Western Mortgages Better

While not included in the life insurance company roster the 1941 experience of Toronto General Trusts Co. is a good indication of what happened to western mortgage holdings. While the wheat crop was substantially lower during the year, increased returns from hogs, cattle, poultry and dairy products had the effect of increasing the Prairie farmers' gross income to a considerable extent. This was reflected in the marked gain in principal and interest payments on farm mortgages, which in the case of Toronto General Trusts, represented a betterment of 60% over the collections of 1940.

Manufacturers Life Insurance Co. gross rate of interest earned on its invested assets in 1941 amounted to 4.51% as compared with 4.45% in 1940. The company explains this showing as being attributable to increased cash collections on mortgage and real estate accounts.

Confederation Life's return of 4.46% was the same as in 1940 and this record is viewed by the company as both fortunate and rather unexpected. The result here is said to be due to a number of causes, one of which was the payment in 1941 of interest, for which no credit had been taken in the accounts in previous years.

Insurance firms have been stressing the view that repayment of the principal of a mortgage loan is just as essential as payment of interest. Canada Life Assurance has met with a favorable experience in this connection with 1941 total principal repayments of $4 millions the highest in 12 years, being $400,000 over 1940 and $1.5 million over 1939 repayments. Experience of this company typifies the much brisker state of the real estate market during the year as it disposed of 228 urban properties for $1,078,000 with cash payments of $246,000. Owing to this activity the unsold balance of urban properties which came on the company's hands in the administration of its mortgage business stands on the books at less than $630,000. Three years ago the figure was four times as large.

Canada Life's rate of interest in 1941 was 4.21% as compared with 4.14% in 1940.

More Closely Invested

Another factor which tended to improve the rate of return for these investors is that they were in many cases more closely invested in 1941 than in 1940. In previous years some substantial cash balances were accumulated before making investment in such mediums as Victory Loans. However, it is believed that the policy followed last year was to go through the banks to buy these bonds—really on anticipation of revenues and as the new money came in it was immediately used to pay off the bank loans rather than being added to a cash accumulation as previously.

Of less significance perhaps was the further writing down of some securities again this year, a policy which would tend to improve yield somewhat. Fewer debt defaults tended to cut the need for supervision and to reduce capital losses, in some firms regarded as part of the cost of investing and hence deducted from interest returns.

Anticipate Decline

While the insurance firms which invest in high-grade issues practically exclusively have preserved the rate of return on their assets to a remarkable degree they continue to expect a decline. The accompanying table shows that the interest return in 1941 varied from a little over 4% to something over 5% from company to company. New investments in large amounts have to be made at prevailing low yield rates and old investments at higher rates will continue to be paid off. The greater part of those new investments will be made in government securities affording a yield of 3% or less.

Shortages of raw materials and higher priority ratings of war industries will probably mean lower construction activity in 1942. This is expected to mean a decline in the volume of new mortgage applications on the year.

On stock holdings high taxes may conceivably bring about further dividend reductions and almost assuredly will prevent any dividend increases.

All of these factors add up to the likelihood that for the conservative investor 1942 is likely to continue the trend of recent years toward a lower rate of return on his investments.

What Life Companies Earn On Their Investments

	1941 %	1940 %	1939 %	1938 %
Canadian Companies				
Canada Life Assurance	4.21	4.14	4.29	4.25
Commercial Life Assurance	4.45	4.43	4.68	4.77
Confederation Life Association	4.46	4.46	4.58	4.63
Continental Life Insurance	4.78	4.74	4.70	4.82
Crown Life Insurance	4.63	4.73	4.86	4.97
Dominion Life Assurance	4.55	4.78	4.67	4.81
Dominion of Canada	4.52	4.58	4.87	4.89
Eaton Life Assurance	4.55	4.52	4.67	4.55
Empire Life Insurance	4.59	4.86	4.53	4.75
Equitable of Canada	5.00	5.00	4.98	4.95
Excelsior Life	4.53	4.56	4.80	4.82
Great-West Life Assurance	4.06	4.17	4.04	4.08
Imperial Life Assurance	4.21	4.26	4.34	4.50
London Life Insurance	4.68	4.59	4.69	4.93
Manufacturers Life Insurance	4.51	4.45	4.64	4.59
Maritime Life Assurance	4.70	4.89	5.03	5.21
Mutual Life of Canada	4.60	4.62	4.68	4.68
Monarch Life Assurance	5.17	5.21	5.19	5.03
Montreal Life Insurance	5.10	5.15	5.02	5.26
National Life Assurance	4.73	4.83	4.74	5.04
North American Life Assurance	4.58	4.63	4.68	4.70
Northern Life Assurance	4.56	4.47	4.71	4.51
Sovereign Life Assurance	5.40	5.12	5.14	5.34
Sun Life of Canada	3.98	3.96	4.02	3.98
Western Life Assurance	5.37	4.45	4.90	4.70
Sauvegarde Insurance	4.54	4.60	4.80	5.09
Saskatchewan Life Insurance	4.08	3.27	3.28	3.11
Toronto Mutual Life	4.82	5.46	4.80	...
Industrial Life	5.05	5.10	5.03	...
Universal Life Assurance	4.73	4.95	...	...
U. S. Companies				
Aetna Life Insurance	3.70	3.74	3.63	3.79
Metropolitan Life Insurance	3.67	3.67	3.83	3.86
New York Life Insurance	3.65	3.75	3.85	3.89
Occidental Life Insurance	4.79	4.81	4.80	4.90
Prudential of America	3.67	3.77	3.93	3.92
Travelers	...	3.98	4.13	4.14
British Companies				
Prudential of England	...	4.33	4.67	5.01
Royal Insurance	...	3.53	3.75	...
Standard Life Assurance	...	5.00	5.04	5.10

ELECTED PRESIDENT

J. M. Pritchard, president of McColl-Frontenac Oil Co., has been elected to a similar post with Montreal Aircraft Industries Ltd.

P.E.I. Aims for Second Surplus in a Row

Current surplus of $8,817 for 1942 has been forecast by Premier Thane A. Campbell, Prince Edward Island. This compares with a 1941 surplus of $9,348, which was the first surplus to be reported by the province since 1928.

Salient features of the accounts for the two years are:

Current Revenues and Expenditures

	1942* $	1941 $
Current revenues	2,294,790	2,204,000
Current expenditures	2,285,973	2,194,000
Ordinary surplus	8,817	10,000

*Estimate.

Reviewed as outstanding among the new policies which are introduced this year, Premier Campbell mentioned the arrangement made with the Dominion Government for subventions on fertilizer, and the policy to be inaugurated by the provincial government in co-operation with the Dominion department for the encouragement of sheep raising. These steps have resulted in the farmers facing the coming season with renewed confidence. The principal difficulty they now face is the shortage of labor.

The fishing industry has enjoyed a greatly improved scale of remuneration and the market conditions appear likely to continue stable for some time.

Tourism at Peak

In the tourist industry, 1941 was a record year. As against 64,000 passengers coming to the island in 1940, 93,000 came in 1941. For 1942 there is expected to be a decrease in automobile traffic but it is anticipated that there will be an increase of travel by air and rail.

During the year P.E.I. funded $2¼ millions of its obligations through the issue of 12½ year 4% debentures.

Discussing estimated 1942 revenues Mr. Campbell pointed out that in connection with the Health Tax only the Liquor Tax section was in force for a part of last year and produced $27,696. For the current year the estimate of the Liquor Tax for the full year is $40,000 and from the Tobacco Tax for part of the year $50,000, a total estimated Health Tax of $90,000.

Tax Agreement

Under the tax agreement with the Dominion, P.E.I. will receive $779,713 in return for which it gives up taxes of $241,000 and its subsidy of $275,000, a total of $516,000.

So that for the current year the estimated fiscal benefits of the agreement amount to $263,713 together with $20,000, which will be placed in reserve for the year following the termination of the agreement, or total benefits accruing during the year (of which $20,000 is not immediately available) of $283,713.

The province's estimates this year show in agricultural account the elimination of an appropriation for Exhibitions. Mr. Campbell explains that this matter has been given the most careful consideration for the past three years and for the present year at least it has been decided to be better if this appropriation is discontinued.

Bond MARKETS

Alberta bondholders should not worry too much about Alberta invoking its Statute of Limitations to deny them payment of interest more than six years in arrears, says the Investors' Chronicle. On the point this English source states:

"It would seem that in fact bondholders would be well advised to maintain their original attitude and run the new risk. For if every measure on the part of province in this matter of its debt has so far been declared ultra vires by the Canadian courts it seems unlikely that the latter will support Mr. Aberhart if he claims that he is no longer liable to pay interest more than six years in arrears. Moreover, there is the new consideration that Alberta can no longer maintain that it is unable to discharge its obligations since its finances have improved considerably over the last six or seven years, while it must be remembered that the present government faces re-election probably next year or the year after when, of course, the people of Alberta may decide that they have had enough of Mr. Aberhart."

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Bond trading policy of many Canadian institutions has included a distinct preference for short term issues in the high-grade market. Recommendation for a similar policy in the U. S. is contained in a recent issue of the Brookmire Investor which says:

"While bond prices have displayed a consistently firming trend in the past month, further progress has been made by factors which will ultimately exert a hardening effect on money rates, and a consequent depressing force on prices of high-grade long-term bonds. An advantageous condition exists for taking action toward stabilizing principal of bond portfolios by changing from long to short maturities—or preferably to War Bonds."

• • •

Second Victory Loan action in the bond markets has been better than that of the first loan immediately after flotation, according to dealers. Apparently the official campaign which stressed the idea of holding the bonds has had some effect, for the volume which has come back on the market is said to be appreciably lighter so far than in the case of the First Victory Loan. This condition is said to have been particularly true of the longer term bonds. Current market is around 99⅝ to 99¾ bid for the longs and 99¾ bid for the shorts with dealers reporting the bid usually better than the offerings.

• • •

Paper bonds reacted in a substantial degree to talk about a choice now being necessary between using power for production of newsprint or aluminum. A selling move became general practically throughout the newsprint list with a fair amount of liquidation being evident. Heaviest selling pressure was in Abitibi, Consolidated Paper and Lake St. John, all of which moved down some three to four points.

The same reports inspired some support for utility bonds with International Hydros and Winnipeg Electric B's firming up in some demand.

• • •

Ontario's Assessment Act will not be amended this session. The important amendment to this Act, discussed previously by The Financial Post, is ready for submission, but official feeling reportedly is that the municipalities should be given more time in which to study the proposals and formulate a concrete opinion. The amendment envisages a number of changes, among the most important of which to the business world is the proposal to change business assessments so that a firm would be assessed for taxation on the volume of business it does rather than the floor space its business site occupies.

St. James Seeks Debt Settlement

Representatives of St. James, Man., are arranging a meeting with Premier Bracken to propose appointment of an independent commission to study the St. James debt situation and arrange a permanent settlement of the debt.

In 1937 the St. James Municipal Council instituted a five-year plan on instructions of the Municipal and Public Utility Board. At that time the debt stood at $3.7 millions with $1.4 million accrued interest. The plan provided payments to bondholders of 2/3 of annual surplus between receipts and expenditures with the other 1/3 going toward bond redemption. The municipality's net debt at the end of 1941 amounted to $2.9 millions.

British Committee Says 'Don't Take Half Interest'

Continuing Fight Against Alberta Half Interest Payments Recommended; Differ From Canadian View

Regardless of the possibility that the Alberta Statute of Limitations might be invoked to bar collection of bond interest more than six years in arrears British bondholders are being advised not to accept half-interest. The Province of Alberta Bond and Stockholders' Protective Committee for Great Britain is advising this policy which is in contrast with that of the Canadian Bondholders' Committee which has suggested to Canadian holders that it might be a wise policy to cash in coupons close to six years in arrears at the half-interest rate.

The British committee's letter briefly reviews the course of the Alberta debt negotiations, states that it is willing to continue negotiations and adds that the committee "cannot see how they would be justified in recommending the stockholders to submit to coercion of an illegal and unjust character by accepting one half only of the interest due to them in full settlement of their rights, and this committee definitely does not recommend acceptance of one half interest. The committee recommends a continuance of the policy of refusing one-half interest in the hope that in course of time justice and reason will prevail over injustice and coercion."

Involved Legal Points

The Statute of Limitations is discussed with the assertion that the legal considerations involved are complicated and it seems certain that only expensive and protracted litigation can determine the application of this Act. It is pointed out that if a British holder accepts half interest after deduction of 10 shillings on the British income tax, there would be left to him only one quarter of the interest.

The committee suggests that further consideration might be given to the question of whether a holder might not be better off by holding out in the hope that sooner or later a government will be elected in Alberta "willing and desirous to do justice."

Say Minority Action

The British letter concludes:

"In conclusion, your committee desires to say that they do not believe that the majority of the people of Alberta approve the action of their present government. In proof of this they would cite the fact that Edmonton (the capital of Alberta) and Calgary, two of the principal cities of the province had to face difficulties as great, or greater than the province. These important cities did not act as the province has done but entered into negotiations with their stockholders, with the result that arrangements mutually satisfactory to the cities and the stockholders were concluded and have been loyally and punctually performed."

Noorduyn Sets Expansion Pace

Backlog of Orders Totals $36.6 Millions; Plant Greatly Expanded

From Our Own Correspondent

MONTREAL. — Noorduyn Aviation expansion since the outbreak of war is set forth by W. L. Bayer, president, in the annual report to shareholders.

Backlog of uncompleted orders at the end of 1940 totalled $5.6 millions and at the end of last year stood at $36.6 millions.

Deliveries of completed aircraft and parts, not included in the year-end backlog figures, was $9.7 millions; the corresponding figure for 1940 was $2.5 millions.

At the end of 1940 there were 1,465 employees on the payroll. A year later the number had increased to 3,642. Now there are some 5,000 employed.

Manufacturing and floor space in operation, exclusive of offices, etc., at Jan. 1, 1941 was 171,750 sq. ft. and on Jan. 1, 1942 was 459,000 sq. ft.

The entire increase in manufacturing floor space and a considerable amount of machinery and equipment was provided by the government.

Along these lines, the company reports bank loans at the end of 1941 included $1,425,000 guaranteed by the Dominion. Because of this indebtedness guaranteed by the government, Mr. Bayer, points out the company was unable to carry out provisions of the trust deed covering the 5½% convertible notes which requires payment into sinking fund of one-third of net profits. When the company is at liberty to do so, he adds, the sinking fund will be set up in accordance with the requirements of the trust deed.

Bond Tenders

12 noon, Apr. 16, Canada Treasury Bills—$45,000,000, dated Apr. 17, 1942, payable July 17, 1942.

7 p.m., May 2, La Corp. du Village de la Baie Shawinigan, P.Q.—$35,000, 4% dated June 1, 1942, redeemable serially in 20 years. W. Chietien, sec.-treas.

NOTICE

CITY OF MONTREAL

Bonds matured 15th May, 1940

Semi-annual interest on these bonds will be paid by cheque on the 15th May, 1942. Registers will be closed from the 20th April to the 15th May inclusively.

City Hall,
Montreal,
14th April, 1942.

L. ROBERGE,
Director of Finance.

Classified Advertisements

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ACCOUNTANT immediately to handle costing, good prospects with progressive firm. Indicate general experience, education, references. Box 266, The Financial Post, Toronto.

Imperial Oil Output Up

South American Operations Successful — Pays 41.61c a Share in Taxes

Benefits gained from a long-term policy of progressive standardization in manufacturing methods and purchase of materials for capital construction and maintenance are particularly noticeable for Imperial Oil Ltd. at a time when conversion of production to war brings an increasing scarcity of materials, states G. H. Smith, president.

Marketing operations are closely integrated to defense and war requirements while current domestic needs have been cared for adequately, he adds, in spite of increased volume handled.

Mr. Smith gives a breakdown of Canadian income taxes, adjusted to show marine department taxes included in Imperial Oil Shipping books in 1940. This shows a total of 41.61 cents a share paid in taxes last year against 33.56 cents in 1940.

	1941 Amount $000,000	1941 Per Share c.	1940 Amount $000,000	1940 Per Share c
Refin. & mktg.	5.6	20.78	4.8	17.64
Transportat'n	2.4	9.02	1.1	4.03
Other income	3.2	11.81	3.2	11.89
Total	11.2	41.61	9.1	33.56

Dealing with crude oil production, Mr. Smith points out that total crude production in Turner Valley for 1941 was 9.8 million bbls., an increase of 1.4 million bbls. from 1940. This was due to two factors.

An emergency production quota above normal efficiency quota to assist in meeting war demands; and,

Increased storage facilities permitting accumulation of stored crude during periods of low consumption for use in sowing and harvesting seasons.

Total production of Imperial Oil through its subsidiaries was 3.1 million bbls. in 1941 compared with 2.8 million bbls. in 1940.

Imperial Oil had an interest in 18 of the 41 producing wells drilled in Turner Valley last year and at the end of the year had a participating interest in 62 crude oil wells and 82 gas wells in the area. In addition to development of interests in Turner Valley and Fort Norman fields, the company continued active exploration in eastern and western Canada.

Operations of South American subsidiaries last year "were considered successful." Exploratory drilling in Peru developed new reserves and at the beginning of 1942 total reserves were higher than a year earlier. Total production of subsidiaries in South America, including the company's share of Mene Grande's production in Venezuela was 41.8 million bbls. in 1941 as compared with 39.7 million bbls. in 1940.

Bond Sales

Kingston, Ont.

Sale of $59,000 in 2½% City of Kingston installment bonds maturing Apr. 1, 1943, to 1947, inclusive, is reported. Buyer: Royal Bank of Canada at reported price of 100.875.

Quebec R.C. Schools

Banque Canadienne Nationale is reported to have purchased $143,900 of 3½% installment bonds of Quebec Roman Catholic School Commission. Price: 99.53, bonds to mature annually, May 1, 1943-50.

Bond Default Looms For Ottawa R.C. Schools

Without a rearrangement of the financial obligations of the Roman Catholic Separate School Board of Ottawa the danger exists that there will be a default when the next coupons fall due, debenture holders are informed in a letter from the trustees.

The letter states that the Ottawa Separate Schools for some years past have been able to function only because expenditures were reduced below a safe minimum and special grants were made by the provincial government. There is no assurance that the provincial government will continue to make special grants to the board; in fact, there has been some intimation that there will not be very many more, if any.

There are at present $1,503,500 of debentures outstanding. In order to meet obligations under the present setup there should be about $240,000 in the sinking fund, actually there is only $593. In addition, there is an outstanding note of $270,000 for which the board has given as collateral security $220,000 of 6% bonds.

By rigid economy the board can show a favorable difference between current annual receipts and disbursements of some $80,000. In order to provide the required sinking fund and pay interest on the debentures it would be necessary to reduce the interest rate to about 2% on a 30-year plan.

It is felt that there can be no question of raising the tax rate, since the Public Schools' tax rate is only 7.25 mills while the Separate Schools have a 14.80 mill rate.

Ford Sales Reach Peak

Spends $4.9 Millions on New War Production Facilities in 1941

Ford Motor Co. of Canada reports gross revenue from sales and other income, exclusive of investment income, in 1941 up 51% over 1940. Actual figures were $129.6 millions in 1941, $85.8 millions in 1940 and $43.7 millions in 1939.

Reflecting this record volume, net profit of $1.97 a share in 1941 is well above the $1.55 earned in 1940, and approximately equal to the $1.96 a share earned in 1938 when only 69,164 units were produced.

Sales of automotive units, including shipments to subsidiary companies, totalled 110,566 units in 1941, an increase of 13,206 units, or 13.5% over 1940. Total sales volume has increased at a greater rate than number of units sold, states W. R. Campbell, president, owing to greatly increased sales of replacement parts and special military type vehicles of higher unit value.

Ratio of operating profits to sales was lower last year, largely owing to substantial increases in material and labor costs in 1941 models for domestic market being not fully reflected in selling prices.

Plant Extensions

Last year Ford of Canada spent $2.8 millions on buildings, machinery and equipment. This included $1.2 million for extensions to and additional equipment for the foundry and heat treat buildings, $159,066 for inspection and pre-delivery building and $1.4 millions for machine tools and other equipment. The government has advanced the company $10.5 millions to assist in fulfilling government contracts. Of the total outlay of $2.8 millions on new capital assets last year, $2.4 millions is stated to be eligible for special depreciation, as it was incurred for war production.

In addition to equipment purchased for its own account, authority was granted to purchase for account of the Canadian government additional machinery and equipment valued at $2.8 millions, making total of $4.9 millions authorized last year.

Dudley J. Byers Heads Montreal Bond Traders

From Our Own Correspondent

MONTREAL.—Dudley J. Byers has been elected president of the Montreal Bond Traders Association. J. A. Senecal, Arthur H. Webb and Ralph Zwibel were chosen to fill the vacancies on the committee. Retiring members whose term of office had expired were R. A. Keast, James Lengill, who has been acting president in the absence of J. A. D. Falkner, who is on active service, and R. S. Hill, who is also on active service. Also serving on the committee are Aime Domingue, Walter L. Downes and Rex Stevenson.

Investment Notes

Massey-Harris Co.'s new shares, preference and common, have been listed on the Toronto Stock Exchange and the old shares removed from trading.

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Borrowings of Toronto Stock Exchange members as at the end of March, 1942, totalled $9 millions, an increase of $498,706 from February and $1.4 million higher than March, 1941. At the same time, quoted market value of all listed stocks as at March 31 totalled $3.3 millions, a decrease of $87.7 millions from Feb. 28. Ratio of borrowings to quoted market values amounted to .27 of 1% as compared with .25 of 1% at the end of February and .21 of 1% a year ago.

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Canadian Pacific common shareholders in the United Kingdom expressed severe disappointment at the announcement that no common dividends would be forthcoming this year. The Investors' Chronicle points out that British shareholders would appear ill advised to sell around present prices, although admitting that there is a suggestion that the policy of no common dividends may be maintained for the duration of the war.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Kingston, Ont.	Apr.	Royal Bank	2½%	1943-47	$59,000	100.875	.....
Quebec R. C. Schools	Apr.	Banque Can. Nationale	3½%	1943-50	143,900	99.53	.....

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Product preferred is one sold through departmental stores, variety stores and drug stores.

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for every purpose
Barber-Ellis
of Canada, Limited
TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

COST ACCOUNTANT

Applications are invited for the responsible position of Cost Accountant with a large manufacturing concern. The position offers an excellent prospect for advancement. Applications must be thirty-five years of age and over and preference will be given to Chartered Accountants with audit and costing experience. Applications must state age, salary expected, and some details of present and past experience. All applications will be treated confidentially. Box 280, The Financial Post, Toronto, Ont.

'T will be a grand year for "moss".

The rolling stones—people who usually spend their summers in motor cars flitting about the country—will do little or no rolling this year. Home life will be the thing, and communities will, for a change, "stay put." Consumer markets, therefore, may be more accurately gauged as to sales possibilities, and each community newspaper take on a more constant value. One of the largest groups of home people in Canada is represented in the readers of The Evening Telegram, which has been the main approach to Toronto buyers since 1876.

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The Editorial Page . .

The Financial Post's Platform For War

1. *Effective mobilization of all resources, materials, productive capacity and man power, without reservation, for an all-out war effort.*
2. *A national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains.*
3. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
4. *A non-political industrial executive to organize and direct procurement of war supply.*
5. *Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.*
6. *Elimination of wasteful spending by public bodies or private individuals.*
7. *A national programme to deal with post-war employment and relief problems.*

A Fine Friend and Faithful Ally

April 23 is St. George's Day, a day when traditionally tribute is paid to England.

This year we may well be generous in our salute to our senior ally, Britain. She has been through the darkest days in her history, days of toil and sacrifice and suffering and continued defeats. But she has taken the blows with courage and has shown the rest of us how to deserve victory and how to steel ourselves for the effort needed for victory. Queen Elizabeth and William Pitt and Queen Victoria would no doubt be very proud of their people if they could see the way they have stood up to the shocks of this war.

Britain has made terrible mistakes before the war and during the war. But there is little need for us on this side to remind her of those errors. For the British people are doing their own thorough job of self-analysis and self-criticism. They themselves invented those jibing phrases: "the Old School Tie," "Col. Blimp," "muddling through." There is no country in the world where the democratic right of constructive criticism is more freely exercised than in war-time Britain. There, it is regarded as a sharp spur to bring out the maximum national effort.

But criticism between the Allies is another matter and is to be exercised only with tact and discretion; otherwise we play the Axis propaganda game of dividing to conquer.

In this war the British people have given us lessons in self-discipline, in unity of purpose, in the personal identification of the citizen with the war, in heroism and in sacrifice.

Well may we salute her on the day of England's patron saint. We could not ask the privilege of standing at the side of a finer friend or a more valiant warrior.

"Blood, Sweat, Toil and Tears"

Some Cape Breton coal miners, it would seem, are not pulling their weight in the war effort. The mines could have produced 61,000 tons more in March, but did not do so because of the failure of men to report for work. This is a matter of more than local interest.

It is not a squabble between employee and employer. It goes far beyond that. It is a matter of national concern when a vital industry is hamstrung by any one small group of men whose one task these days should be to produce to the maximum in order to further the war effort.

The reasons for the failure of the mines operated by Dominion Coal Co. to produce the extra 61,000 tons in March are in most cases trivial. At least 26,411 tons of production were lost because of mere unjustified absenteeism.

These coal miners of Cape Breton are making more money now than they have made in the last two decades. Yet to a large segment of them apparently the war is not the main concern. They stop work when they feel like it. They go to work when they feel so inclined. Without coal we cannot have arms. Without arms we cannot have victory.

The one consolation in the situation is that the attitude of the Cape Breton coal miners is not typical of Canadian labor. Elsewhere, labor is pulling its weight in this war.

This is "Success" in Business

The war is doing something to Canada, argues Bruce Hutchison in Maclean's Magazine. We are correcting, he thinks, some of the things that are wrong with Canada.

One of the things that has been wrong, argues this brilliant young journalist, is that we have made money the chief, almost the sole criterion of success. What we need, he thinks, is to establish true ability rather than wealth, service to society instead of selfish accumulation, as the public mark of success, as the aim of every ambitious boy.

To establish his case, Mr. Hutchison takes a semi-mythical person, one John Smith, a man with a million a year income, and shows what is wrong with him. John Smith piled up his fortune and thought he had succeeded. But as it turned out, John Smith was unhappy; a million a year did not make him happy. Now the government and his war charity contributions take all but $14,000 a year of his income. He works for the government at a dollar a year doing a big job for Canada and having "the time of his life." Not since he was a poor, struggling boy has he been so happy. "On a dollar a year he is more powerful, more important in his own eyes and the eyes of his fellows, and more respectable in the best sense, than he was on a million dollars a year."

It's a good story that Mr. Hutchison tells but there's something wrong with his premises. Let's consider this Mr. "John Smith." The only man we know of who ever made a million dollars in a year in Canada and who is now a dollar-a-year-man never did make a million a year. That's an Irish sort of expression but what we mean is that his companies and not he made the million dollars and they did it only in one year. It was after they had spent twenty years building up a vast new line of business that brought new jobs to thousands of Canadians and an enriched life to several communities. Out of that million the government took more than half in taxes. The head of the business paid himself a small salary, just about enough, after his personal taxes were paid, to cover his expenses in working for the nation as a wartime dollar-a-year-man. The rest of the money remained in the business to help it expand in the wartime service of Canada.

This Mr. John Smith was happy before the war; happier than anyone can be today. He was happy in the thought of his success; not because it brought him wealth. He was never able to spend more than a certain amount of money, even if he tried.

He was happy because he had created new enterprises for Canada, where resources had been idle and wasted before. He was happy because his product had changed the way of life of the Canadian people, and for the better; raising their standard of living. He was happy because the export of his product added to Canada's ability to import necessary materials and good things from other countries.

Mr. John Smith is not well known to the rank and file of Canadians—whether as a business man or as a dollar-a-year-man. His wealth pinned on him no public badge of recognition. In fact, it is doubtful if his enormous business achievements ever made him as much of a public figure as that splendid book "Canada; the Unknown Country" has made its author, Bruce Hutchison.

What financier in Canada has ever received the tributes of public acclaim that were showered upon Sir Frederick Banting?

What manufacturer will be remembered as Sir Wilfred Laurier is remembered?

What man with a million a year (if there is one such in Canada) is as well known as Mr. King is known or the late Mr. Lapointe was known?

No, we think Mr. Hutchison is wrong on two counts. We do not think there are many successful business men who get enjoyment out of "selfish accumulation." Most of them get whatever enjoyment they have out of the creative aspects of their work; in the building up of enterprises that are of positive national value.

The business man's own present standard of success is achievement. Profits are one incidental measure of success; but only because profits provide the capital that enables enterprise to expand while deficits mean that enterprise must contract its activities and eventually disappear.

And we think Mr. Hutchison is wrong in assuming that the public in Canada measures achievement by financial standards. In fact, our impression is that, in recent years, the public has tended to go at this matter in reverse and to consider financial success as definitely anti-social, on the ground that a man could not be successful in business and at the same time be a good citizen. But overlooking that peculiar bit of back-handed reasoning, which came out of the long depression, the business man in Canada has always received less recognition from the public for his achievements and his contribution to the nation than our scientists (the Banting's and the Best's); the writers (the Leacock's, the McCrae's, the Carman's and the Hutchison's); the politicians (the Macdonald's, the Laurier's and the King's); the public servants (the Clark's, and the Towers's) or the warriors (the Bishop's, the McNaughton's and the Currie's).

Futures Market is Essential

Long a favorite target for certain groups of western politicians has been the perfectly normal practise of trading in grain futures. The Winnipeg Grain Exchange has been likened to a gambler's hell wherein manipulators made fat and unjustified profits out of the hard-pressed wheat grower. In the early years of their existence the Wheat Pools joined full-throated in this cry but later, as they came up against the practical problem of marketing wheat, they were glad to use the machinery that they had decried.

Recently in Ottawa there was presented the unusual spectacle of an ex-Pool official staunchly defending the futures market before the agricultural committee of the House of Commons. G. H. McIvor, now head of the Canadian Wheat Board and former sales manager for the Pool, stated that the Board under all three of its chairmen, Messrs. McFarland, Murray and himself had made extensive use of the futures market in selling wheat.

Cash wheat, explained Mr. McIvor, "is mainly sold by exchanging the cash wheat for futures' contracts which is then sold at the discretion of the seller of the cash wheat." This method, added Mr. McIvor, is the only practical one available to the Board and this accounts for "the immediate steps taken by the McFarland Board to secure a ruling on the ability of the Board to so conduct its operations (futures trading) under the act."

In the 35 years of major wheat growing in Western Canada the futures' market has saved growers many millions of dollars by, in effect, permitting them to spread sales over the whole year instead of being forced to dump their crop on an overburdened local market within a few weeks of harvest. Instead of encouraging gambling, as opponents are so fond of declaring, the practice of hedging through the purchase of futures actually is a most stabilizing influence tending to prevent violent ups and downs in price as would invariably be the case if all sales were on a cash basis only.

Handicraft Opportunity

There should be more than usual interest in the Canadian Handicrafts Guild Exhibition which opens in Toronto on April 28. This will be the first opportunity for many people to witness the progress Canadian and European refugee craftsmen are making in producing many hand-made articles which we previously imported. Now all these fascinating goods are being produced in Canada, and out of local raw materials. In many instances, too, there has been a considerable improvement in design.

In addition to a natural sentimental interest in the growth of handicrafts, this country has a substantial commercial stake as well. If we hope to develop our lucrative tourist trade to maximum proportions then there must be a complementary development in handicrafts as tourists always have been the biggest buyers of local hand-made rugs, blankets, pottery and similar goods. And because these tourists act as unofficial salesmen on their return home there is also a big potential export market for Canadian handicrafts in the United States. This, Canadian handicrafts have already tapped.

Never in the 42 years of its history has the Canadian Handicrafts Guild faced an opportunity and responsibility such as that presented by the present situation. Previous imports of real and shabby imitation handicrafts have been cut off. Thus Canadian craftsmen are provided overnight with all of the domestic market and an export outlet in the United States. At the same time there has been an infusion of new skill from the refugees of Europe. And, finally, with the day coming ever closer when hundreds of thousands of workers must shift from war production to peace, an industry which creates such permanent, gainful and interesting employment will prove almost invaluable.

Editorials in Brief

Ontario's Attorney-General says he cannot close up gambling dives around Toronto because he has not the power to do so.

Perhaps he should hold a plebiscite to free his hands for action.

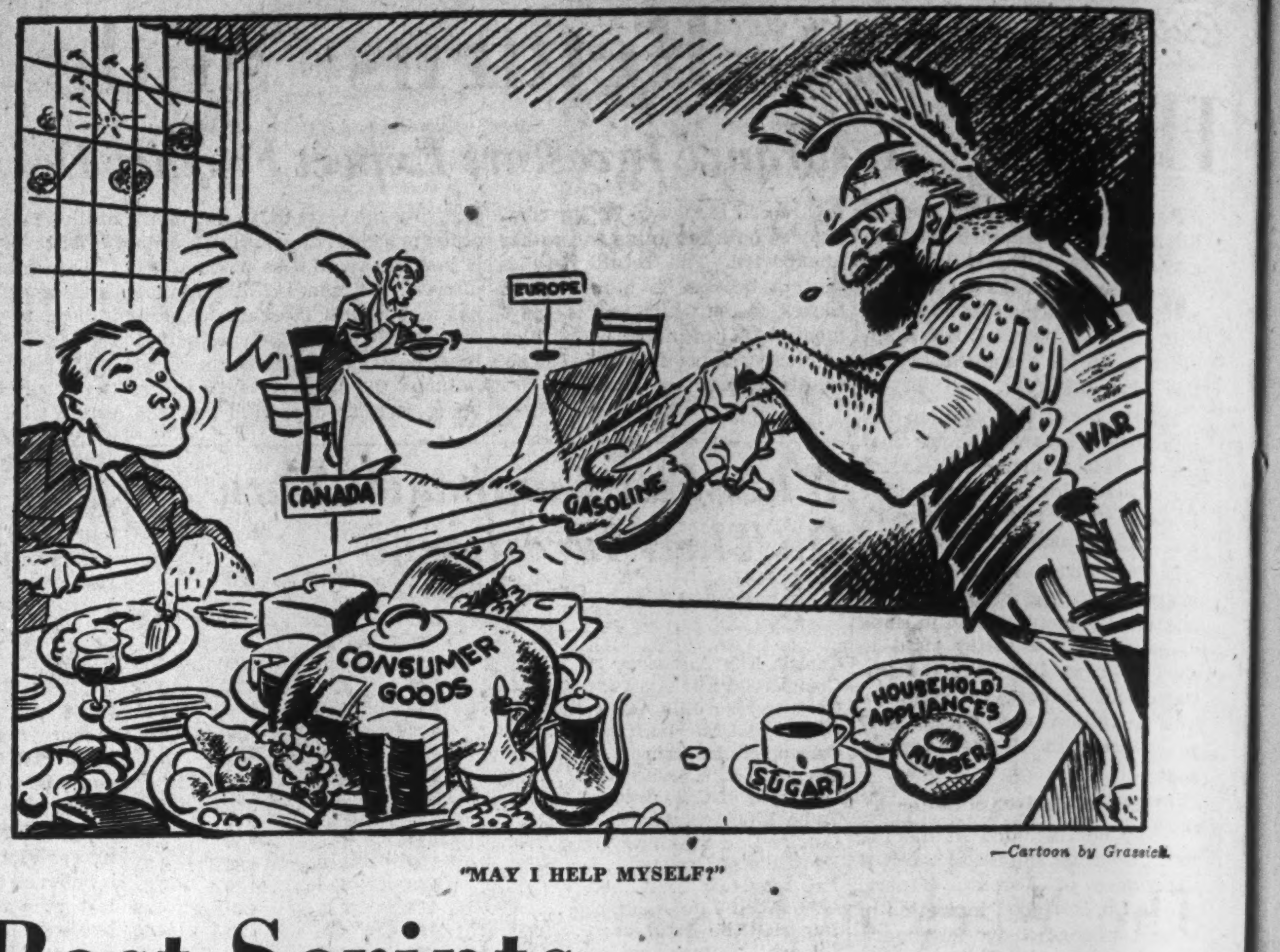
* * *

Total number of Quebec subscribers to the Second Victory Loan was almost exactly double that of the first, 336,000 against 170,000. This indicates a most substantial and satisfactory growth of "small" investors. Overzealous critics of Quebec's war enthusiasm might well ponder these results.

* * *

Population in Saskatchewan dropped 3.7% between the census of 1931 and that of 1941. The decline, however, doesn't indicate a general shrinkage so much as a shifting of population in keeping with economic conditions. Thus, while the prairie regions of the extreme south lost nearly 13% since 1931 there was a gain of 7.7% in the park land areas farther north.

The prairie areas, of course, were hardest hit by the prolonged drought of the middle '30's. They contained considerable marginal land now going back to grazing and here also mechanization is permitting farmers to operate larger wheat acreages per man. The park areas, on the other hand, are more adapted to dairying and hog raising, which require much more man power than wheat growing.



"MAY I HELP MYSELF?"

—Cartoon by Grassick.

Post-Scripts . . . .

On War Council

Hume Wrong, who is filling an important role as Canada's representative on the Pacific War Council now functioning at Washington, comes honestly by the abilities which have brought him, before the age of 50, to a very responsible position in our diplomatic service. His father is Professor G. M. Wrong, Canada's most distinguished historian. His mother was a daughter of Edward Blake, whose brain was among the keenest in Canada and enabled him to achieve great and varied distinction. He was a leader of the Canadian Bar, a premier of Ontario, leader of the Canadian Liberal party and a prominent member of the British Parliament.

Hume Wrong was born in Toronto in 1894 was educated at Ridley College and the University of Toronto. He interrupted his academic career to serve with credit in the first Great War as an officer in the Oxford and Buckinghamshire Light Infantry. Completing his education at Balliol College, Oxford, he returned to Canada and joined the staff of the Department of History at the University of Toronto, Here he found time to write an authoritative and interesting book upon the British West Indies.

HUME WRONG

But Hume Wrong craved a more active life and in 1926 he transferred his energies to our budding diplomatic service. He went to Washington as first secretary of our newly established Legation. For more than 10 years he served at Washington as the right hand man of three successive Ministers, Vincent Massey, William Herridge and Sir Herbert Marler. In 1937 he moved to Geneva to fill the role of Canadian resident representative at the headquarters of the League of Nations. On the outbreak of war he was brought to London and entrusted with important liaison duties under the aegis of the High Commissioner.

When Sir Herbert Marler died in 1940, Mr. Wrong had considerable claims to be his successor at Washington but Premier King decided that an older man was required and appointed Mr. Leighton McCarthy, an old personal friend of President Roosevelt. Since Mr. McCarthy was a complete novice in the diplomatic service, Mr. King gave him the most competent assistant he could find in the person of Hume Wrong.

In private life Hume Wrong is a very attractive and companionable man with a wide range of intellectual interests and a pleasing fund of salty humor. He has had the good fortune to make a happy marriage with Miss Joyce Hutton, a daughter of his father's old friend and colleague, Principal Maurice Hutton, and they have a son and a daughter who are now finishing their education in Toronto.

Expressmen

Francis (Frank) J. McBride, auditor of express receipts, Canadian Pacific Express Co. has retired on pension after almost 50 years' service. All of these were spent in Toronto. Mr. McBride is succeeded by W. J. Hallarn, line auditor, western lines, who in turn is succeeded by R. S. Hodgson, cashier in charge of accounting, Winnipeg general agency.

In his youth, Mr. McBride was a well-known athlete, and for some years was a member of the St. Marys, Ont., baseball team which won the city championship on several occasions. At school he was a contemporary of J. G. Strathdee, manager of the French River Chalet Bungalow Camp. Mr. McBride's present recreations are fishing and golfing, and he is a past master at both.

F. J. McBRIDE

Starting his career with the company in September, 1892, at the age of 16 as waybill sorter in the audit office, Mr. McBride rose rapidly through the various positions of transportation clerk, statement clerk, rate clerk and chief joint traffic clerk to become chief clerk in October, 1906, assistant auditor in 1928 and auditor of express receipts on January 1, 1929. This last position was amalgamated with that of auditor of transportation in 1932. And all through his 50 years service he was making a host of friends in business and transportation circles.

William J. Hallarn entered the C. P. Express Company's service in 1912, as junior clerk in the accounting department, Toronto, and after filling various clerical positions, was appointed senior clerk in the rate revision department, and on December 1, 1940, was promoted to assistant line auditor. He became line auditor, western lines, on March 1, 1941.

* * *

Lady With a Camera

She would just as soon shoot the picture of a good murder story as fuss over swanky fashion shots. She says her sex is an advantage though she is doing what has traditionally been regarded as a man's job. She's doing it because the boss went to war.

She is Jean Gainfort Merrill, press and portrait photographer who has been startling a good many Canadian personalities by doing their photographs at banquets and and other gatherings. She admits she startles some editors too who didn't know that in recent months they have been having some of their picture work done by a five-foot-five twenty-five year old, who looks as though she is skipping university classes.

J. G. MERRILL

Herbert Nott in the few years since he left University of Toronto had rapidly moved into the very top rank of Canadian newspaper and magazine photographers. Jean Merrill had been his assistant. When the Canadian Navy took Herbert Nott for special information work three months ago, Jean took over his business and his assignments.

Since then she has photographed the dark depths of minesweepers (She's going to carry overalls when she does more jobs like that, she says, "Hard on dresses.") She has done machine gun and airplane production; troops at work and play; fashions and portraits. When Wendell Willkie visited Canada, she startled other newspaper photographers, not noted for their reticence, by ogling mighty big-wigs and Generals into letting her into their midst, whence she got one of the best pictures of the famous American taken during his entire trip.

Being a woman helps sometimes she thinks. "A lot of men who roar that they don't want their pictures in the paper are really the ones who really want their pictures in the most. I know of several cases where what they call intuition or something was a big help."

Jean Merrill is probably unique among photographers in that she has always been a professional, never an amateur. She never was a "snapshoter." Because hard-headed businessman Papa Merrill didn't want a daughter of his fooling around at any art school, she took the next best thing and got a job in a photographic studio—way behind the scenes developing and so on. For the first five years she didn't even own a camera.

When she did she went to a famous school of photography in the United States, came back with her blonde head well filled with "know how."

Now Father and Mother Merrill are very well pleased with their daughter. So is she, except for the fact that carrying around 25 pounds of cameras and photographic gear involves a lot of exercise and she takes a lot of knees out of her stockings getting angle shots.

One big fear hangs over her: That sometime she may repeat the tragic error of a Toronto news photographer a few years ago. Driving down a street he saw two men rush out of a bank, revolvers in their hands, a banker after them his gun smoking.

The photographer leaped from his car, loaded camera in hand. Paradise: action, guns, chase, drama, perhaps murder, perhaps a piece of the bank reward for trapping bank robbers. Picture after picture—he took them as fast as he could pull the trigger, as long as his film held out.

Back in the darkroom he started work on the "press picture story of the year." Disaster. Not a single trace on all that film. He had forgotten to pull the slide.

* * *

Sayings of the Week

"We shall need not merely to equal the output of our enemies, but to surpass that output by three or four times."—*Representative John H. Tolan, of California.*

* * *

"Gentlemen! Gentlemen! Not all at once. I can deny only one question at a time." — *U. S. Ambassador John G. Winant, to newspapermen, upon his return from England.*

* * *

"We must never lose sight of the importance of national unity. National unity is, I believe, more essential to the success of the war effort of any country than most other factors combined."—*Prime Minister W. L. Mackenzie King.*

* * *

"In Canada, after two and a half years of war, our civilian standard of living remains one of the highest in the world, and this despite our declared purpose to limit our war effort only by the minimum needs of the civilian population."—*Donald Gordon, Chairman Wartime Prices and Trade Board in Winnipeg this week.*

* * *

"The issue is not Conscription. It is not the Plebiscite. The real issue is how to get the most out of ourselves to speed the day of victory. To do that Canada should now be marshalling her people and their resources for true total war, on a basis of equality of sacrifice. Then why not get down to the issue and stop all this talk?"—*Leslie Roberts.*

* * *

"It is a fallacy to teach the people to believe that if prices are forbidden to rise, inflation has been prevented. It is much more important to understand that frozen prices cannot prevent inflation; if there has been an inflation of the currency, if money is more plentiful than goods, frozen prices merely hide the inflation and dam it up until some later time when it cannot be dammed up any longer." — *Walter Lippman, U. S. Columnist.*

Other People's Views . . . .

The Canadian Editorial of the Week

Must Convince Quebec

Calgary Herald

There is no longer any use in disguising the fact that the French-Canadian population of Quebec will vote strongly, if not overwhelmingly, against releasing the federal government from its pre-election pledge against conscription of Canadians for overseas military service.

In view of the grave warning of Prime Minister King in his national broadcast as to the extreme danger facing the Dominion, Quebec as well as the other provinces, his government cannot afford to ignore the pronounced anti-plebiscite sentiment among French-Canadians. This applies particularly to Mr. King himself. For nearly all his successful political career he has benefited from the presence of an almost solid French-Canadian bloc in the Commons. The people of Quebec province have shown time and time again that they repose great confidence in him.

Therefore he is in a privileged position to go into that province and convince the irreconcilables that their province has as much at stake as any other province in an Allied victory which cannot be won if fought out on Canadian soil. They may listen to him as he urges the absolute necessity of an affirmative vote. Long range broadcasts in English will not reach them. Mr. King should find time to address a number of meetings in the province and grapple with the situation at first hand.

The verdict of the other provinces may be assumed although nothing should be left to chance for this vote is of paramount national importance. But it is the Quebec answer that is arousing grave anxiety and it is there the government should concentrate its plebiscite campaign because it is there that anti-conscription forces are most active—and bitter.

* * *

As Others See Us

Optimistic Headlines

(Ottawa Citizen)

Complaints in certain quarters against what are called "optimistic war headlines" are still being heard. Some of these have come from newspapers themselves. The Financial Post for instance says that "undoubtedly the public morale has suffered and will continue to suffer unless prompt steps are taken to correct this situation."

There is no denying, however, from the days of Norway and the break-through in France, to the fighting for Singapore and Java there has been a tendency to put the rosiest apples at the top of the news basket. It is natural. What should be done is for the news editors themselves to decide. Headlines exercise an influence on public morale and thought these days. For that reason alone, the greatest care should be used in headline emphasis.

* * *

Time for Restrictions

Vernon (B. C.) News

The higher the standard of living, the greater the luxury enjoyed, the harder will be the really drastic readjustment to war conditions that will face Canadians within the next weeks and months.

Not that we in the West have not known a way of living that is extravagant or have not indulged in useless luxuries. But these things have definitely been in the minority among us and few are the agriculturists on the land who have been in the habit of telephoning casually for a ten cent loaf of bread or a package of cigarettes.

This has evidently been so common a practice that The Financial Post of Toronto has been moved to write at some length about it.

It should perhaps be pointed out—as The Post has indirectly admitted—that much of the government regulations so far have not worked any particular hardship and in many cases have actually resulted in benefit. Perhaps the Dominion Government, which has seemed rather reluctant to apply economic brakes, will take extra courage from the reception its measures have so far received and really cause some further jolts to ordinary peacetime activities.

* * *

The Senate

Swift Current Sun

Recently The Financial Post consulted a group of prominent Canadians on the role of the Senate. Almost without exception they agreed that as functioning at present the senior body was of little value, but most of them have also agreed that it could be and should be made more useful. Everyone has a pretty good idea that the Canadian Senate job has been merely a political plum, not necessarily a reward for being an able, industrious, loyal Canadian whose mature judgment and experience really counted.

There have been, of course, a number of notable examples of what service a good Senator can be to the Dominion, for example the late Raoul Dandurand. On the whole, however, the Senate, in efficacy, has been another right arm for the House of Commons—and who wants two right arms, anyway? But to make the best of it, as The Financial Post suggests, the Senate should be placed in a position where it can really accomplish useful work.

* * *

Paring Down Expenses

Brantford Expositor

Commenting on the fact that many Canadian municipalities have reduced their tax rates this year, The Financial Post commends them on paring down expenditures. Every dollar they can save the taxpayer, The Post notes, is a dollar gained for the war effort.

"This sort of thing," The Post adds, "is in sharp and favorable contrast to the record of the first great war. It indicates that many municipal authorities fully realize the importance of their responsibility and the vital necessity of conserving all our energies for the supreme purpose of prosecuting the war."

* * *

Stop Me If . . .

Newly Commissioned Officer: "Didn't you see me coming up the lines?"

Recruit: "Yes, sir!"

"Then, why didn't you challenge me?"

"Challenge you! Why, I been able to lick you ever since you was a kid!"

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Cutting the Costs in Business

Hotels Are Finding Many Sound Economies

Professionals Have Many Tips for Ordinary Housekeeper

By **ROBERT C. STARK**

Hotels of Canada serve close to two million people daily. Into that service have come practices which cost real hard dollars for the hotels but go practically unnoticed by guests.

Hotel business is booming these days but higher costs of operation have taken much of that gross away in the final net showing. To try and improve that margin and to combat constantly increasing shortages, Canadian hotels today are doing a lot of hard thinking about where they can trim off non-essentials.

In a business which relies so heavily on service and prestige, a good deal of care has to be exercised before cutting anything that might harm the hotel's reputation. Nevertheless, there are frills which may have been promoted to the rank of "refinements of service" or "decoration" or "atmosphere." Some of these have been reclassified as wasteful and are being tossed out.

Light, Heat and Power

In reducing light, heat and power consumption, the cost cutting campaigns of the hotels have been particularly successful. Some places carry out periodic drives among their employees in this connection and report really startling results.

When a maid went in to make up a room she may have switched on two or three lights; now she is finding the night light sufficient. Bell boys formerly considered it part of their time-honored duty to turn on every light when ushering in a new guest today they are told to turn on only those lights they think the guest will need. Corridor lighting is being closely watched and during the day and after midnight many of these lights are turned off. Wattage of each lamp is checked and the efficient hotel makes sure that each outlet has the correct wattage lamp for its purpose.

Unnecessary heat means fuel waste. To cut down, radiators are being turned off when a guest leaves. Hot water temperature is checked—125 to 135 degrees is held to be plenty — anything above that, money waste.

Stationery Saving

Paper is being saved wherever possible. For the desk drawer there is a par stock of stationery; the number of sheet and envelopes are now counted out carefully. A scratch pad in a conspicuous place saves much stationery. Some hotels have cut out the ordinary supply of stationery altogether, leaving it with the desk clerks to give out in rationed quantities. Further paper savings are made by eliminating decorative doilies and napkins in the coffee shops and paper frills from chops in dining room service.

Bathroom Economy

In bathrooms there are still ample supplies but again extravagance is out. Some guests will use just as many towels as they are given. Recommended procedure here is to set up a par stock in accordance with the rates being charged. Free face cloths, shoe cloths and cleansing tissues are being drastically reduced. For transient use, it is figured that a three-quarter ounce cake of soap is suitable for the bath. Used cakes of soap can be melted down and then used for general cleaning purposes.

Food Frills Out

In the dining room the economy trend continues. Some of the more exotic dishes have disappeared from the menu while there are a host of more subtle changes. Steps taken to conserve sugar have meant a big drop in hotel consumption. Music has been eliminated in certain types of dining rooms. Waiters are being cautioned not to give extra butter unless requested; the same goes for additional bread. Some hotels tell waiters to fill the water glass only once unless specially requested.

Back in the kitchen bacon fat is now being blended with butter for use in frying eggs. This means big savings in butter. The bacon fat was formerly sold to soap refiners.

These are some of the changes more obvious to the ordinary guest. Behind the scenes in Canada's hotels today, the same type of thing is going on to help ease some of the strain created by operating under the price ceiling.

Less Obvious Changes

Incidentally, some of this behind-the-scenes cost cutting may provide some worth-while tips to the ordinary householder, for a hotel represents professional housekeeping on a big scale.

For painting, hotels have found it most economical to use a good product, one that will last. Paint length of life can be materially extended by washing with a mild soap followed by a rinse with clear water.

To save carpets, all gritty material is removed before it has a chance to get ground in. Underlays double the life of most carpets. Where certain spots receive more wear than others, protection is given with small rugs or mats. When possible, furniture is shifted and rug or carpet reversed frequently so that wear will be evenly distributed. On stair carpets plenty of margin is allowed at top and bottom of the stairway to permit shifting of the carpet and avoiding wear at the stair edges.

Thousands of dollars are lost daily in food spoiled or partly eaten, in wasted water or ice. Cooks are told to be careful with their preparations—overseasoning of foods results in the dishes being sent back, don't overroast, overcook or burn, watch portion sizes, keep the flame under the pan not over the edge, don't let deep fat temperature get too high.

Maids are told to report leaky faucets immediately. Waiters are told not to overload trays, to separate silver from dishes, never to put glasses on the same tray with dishes, walk, do not run. All these things mean fewer breakages in china and glassware.

On gas cooking equipment checks are made to ensure regular and frequent cleaning of range tops, broilers, oven and burners. Stainless steel equipment is cleaned immediately after use to remove food film and prevent corrosion. Baked-on food is removed with a stainless steel sponge or stainless steel wool; knives, ordinary steel wool or brushes are never used for this purpose. Cast aluminum cooking utensils are never allowed to stand overnight with food in them and cold water is not poured into them when they are very hot for that means cracking and warping.

Considerable salvage work is also being done by the hotels. Bottles are being carefully sorted for their return credit value, while all broken glassware is sold as scrap glass. Old style lamps which formerly were sold to secondhand dealers are being dismantled for the sockets, switches and wire they contain and the balance sold for scrap metal.

Outmoded furniture is being remodelled into new styles while broken furniture which cannot be repaired to stand the strain of hotel use is being sold to secondhand dealers. Corrugated paper and boxes are being salvaged for re-use, while egg crates, wooden boxes and baskets are being saved and sold.

Recognizing the general need for economy and conservation, hotelmen are showing an increasing tendency toward getting together and pooling their ideas rather than trying to keep up some of the more wasteful aspects of competition. The changes which they are making now are being made without injuring operating efficiency or causing adverse guest reaction.

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The Week in Business

With war industries keeping at top speed, most Canadian business statistics continue to move upward. Offsetting this is the increasing effect of restrictions on peacetime industry but the cumulative effect of this is not yet enough to disturb the general upward trend.

Wholesale sales in February overcame part of the January decline and for the month, the index at 135.9 compares with 110.6 a year ago.

Country store sales indicate higher purchasing power for farmers and residents of smaller centres. February index of sales was 15.3% above a year ago.

Carloadings in the week ended April 4 were slightly below the previous week but to date this year show a gain of 12.5%. Railway gross earnings were well ahead in the week ended April 7 and for the year to date show gains of 22.4% for the C.N.R. and 28.3% for the C.P.R.

Passenger car sales in February were only about a quarter as great as a year earlier and for the first two months of 1942 the decline is 29.5%, reflecting the ending of civilian automobile output.

Gold received at the mint in February amounted to 345,475 fine ozs. against 411,880 fine ozs. in the 1941 month. The first two months this year show a decline of 9.8%.

Crude oil imports in February were 10 million gallons higher than last year and this year to date the increase has been 36.8%.

Raw rubber imports show the effect of war in the Pacific; although February imports of 9.6 million lb. were 1.2 million lb. higher than in the same month of 1941 but the total this year to date is 55.4% lower.

MONTHLY INDICES

	Mar.	Feb.	Jan.	Dec.	Year Ago
The Financial Post business index	....	°169.2	168.0	166.6	154.8
National Income, D.B.S.●	....	....	....	456.4	418.9
Dom. war expend.●	....	132.9	145.2	124.4	82.7
Dom. total revenue●	....	109.7	120.5	111.5	80.0
Dom. total expend.°	....	163.7	184.6	168.0	105.5
Retail sales index no.	....	154.5	150.9	147.2	130.6
Dept. store sales index no.	....	141.1	151.1	145.8	126.1
■Wholesale sales index no.	....	135.9	132.2	137.4	110.6
■Country store (% change pr. yr.)	....	+15.3	+20.5	+14.4	+4.4
Divd. payment index♠	121.4	121.4	121.3	120.3	121.0
COST OF LIVING—					
D.B.S. index	115.9	115.7	115.4	115.8	108.2
EMPLOYMENT INDEX Nos., D.B.S.—					
All industries	....	165.4	165.8	168.8	135.2
Manufacturing	....	191.2	187.1	188.4	147.4
Payroll (June 1/41=100) (b)	....	118.5	112.3	119.5	....
Payroll index (a) (1937=100)	....	....	185	193	144

	1942	1941	Jan. 1 to date 1942	Jan. 1 to date 1941	% Change
RAILWAYS—					
■Carloadings (week Apr. 4)	57,455	58,840	854,750	759,179	+12.5
■C.N.R. gross (week Apr. 7) $	6,396,000	5,594,000	86,019,000	70,292,000	+22.4
■C.P.R. gross (week Apr. 7) $	4,516,000	3,595,000	62,880,000	49,007,000	+28.3
C.N.R. net revenue (Feb.) $	3,644,440	2,609,117	8,801,552	5,759,511	+52.8
C.P.R. net revenue (Feb.) $	3,014,013	2,608,569	6,198,076	5,274,331	+17.5
IRON AND STEEL—(February)—					
Pig iron production (tons)	143,973	102,104	307,129	217,559	+41.2
Steel ingots and castings prod. (tons)	242,921	193,408	501,937	402,067	+24.8
AUTOMOBILES—(Number)—					
Passenger Cars:					
■Domestic sales* (Feb.)	2,733	6,717	8,776	12,450	—29.5
Factory output (Feb.)	3,989	10,647	8,238	22,637	—63.7
Trucks and Buses:					
■Domestic sales (Feb.)	2,200	2,459	5,243	4,733	+10.8
Factory output (Feb.)	16,192	13,063	33,694	24,268	+38.9
Financing:					
Used (Jan.) $	1,675,898	2,452,366	....	....	—31.7
New (Jan.) $	1,623,444	2,168,043	....	....	—25.1
CONSTRUCTION—					
Contracts awarded (Mar.) $	17,850,400	13,991,900	41,783,500	65,276,300	—36.0
■Cement prod., bbls. (Jan.)	283,000	283,000	....	....	....
AGRICULTURE—					
Flour prod., bbls. (Feb.)	1,584,978	1,462,187	3,140,828	2,639,556	+18.9
■Flour exp., bbls. (Mar.)	899,399	559,193	2,706,110	1,520,714	+78.0
■Wheat exp., bush. (Mar.)	9,765,258	11,622,719	26,334,393	25,962,393	+1.4
■Cattle sales▲ (Mar.)	93,089	71,188	280,226	223,645	+25.3
■Hog sales▲ (Mar.)	507,007	466,053	1,594,945	1,464,701	+8.9
SEA FISHERIES—‡					
Catch cwts. (Feb.)	1,044,800	317,300	1,810,800	909,200	+99.1
Landed value (Feb.) $	788,800	462,400	1,630,800	1,115,500	+46.1
NEWSPRINT—					
■Production, tons (Mar.)	295,835	275,769	885,840	782,674	+13.1
Exports (Feb.)	14,248,000	10,324,000	26,913,000	20,087,000	+34.1
MINING AND OILS—					
Coal prod., tons (Feb.)	1,693,471	1,501,939	3,591,425	3,279,802	+9.5
Coal import, tons (Feb.)	843,256	508,412	1,776,869	1,037,982	+71.2
■Gold rec., fine oz. (Feb.)	345,475	411,880	787,513	873,482	—9.8
■Crude oil, imp. gals.† (Feb.)	73,108	63,266	162,004	118,463	+36.8
ELECTRIC POWER OUTPUT—(February)—					
Total monthly, 1,000 kw.h.'s	2,842,463	2,407,068	6,068,752	5,041,763	+20.3
FOREIGN TRADE—♦					
Imports (Feb.)	$119,555,851	89,631,628	261,682,435	188,014,090	+39.1
Exports (Feb.)	$168,196,861	100,524,150	320,504,298	189,476,809	+69.1
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. (Feb.)	128,978	151,941	232,421	316,833	—26.7
■Shoes, prod., pr. (Feb.)	2,626,084	2,215,864	5,090,031	4,116,949	+23.6
Cotton consump., lb. (Feb.)	16,702,248	16,603,876	33,535,704	32,283,458	+3.8
■Raw rubber imp. lb. (Feb.)	9,625,417	8,446,866	10,059,683	22,539,903	—55.4
Cigarette cons., No.† (Feb.)	775,737	556,519	1,523,470	1,180,090	+29.0
Sugar manufactured, lb §	90,187,029	87,221,405	1,199,719,338	1,137,792,237	+5.4
FINANCE—					
Bank debits† (Feb.) $	2,892,864	2,540,182	6,123,653	5,481,286	+11.7
■Bond sales♠ (Mar.) $	1,053,843	42,884	1,264,361	240,143	+426.7
Life insurance sales (Feb.) $	39,357,000	31,500,000	82,438,000	59,826,000	+37.8

*D.B.S All Canada figure covering 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. New items for week marked ■.
†000's omitted. §For four weeks to Dec. 31. ♦Gold excluded.
●Millions of dollars. °Final. ♠Supplied by Nesbitt, Thomson & Co.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

Investment Securities

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Offices at Toronto, Montreal, Ottawa, Hamilton, London.
Correspondents in New York and London, England.

On the Record

Value of contracts by Dept. of M. & S. awarded from July 14, 1939 to March 31, 1942 totalled $3.4 billions.

Estimated value of contracts placed on United Kingdom account, together with United Kingdom commitments for plants and plant extensions and orders for the output of some of these plants was $1.2 billion. Contracts awarded on other account totalled $146.8 millions.

Regional offices of the Priorities Officer will be established to assist in speeding the flow of vital war materials from the U. S. Two offices have been opened in Vancouver and Toronto and another will soon be opened in Halifax.

New street lighting has been designed by Westinghouse for lighting streets in the vicinity of defense plants, army cantonments, and for protective lighting of fences around vital industrial areas.

7½ million pigs will have to be produced to meet present demands for bacon and pork products for Britain and domestic requirements.

Canadian Wool Board Ltd. has been established to act as sole agent in buying and distributing Canadian produced wools. Directors are: **David C. Dick**, Wool Administrator; **G. E. O'Brien** and **W. H. J. Tisdale**, Canadian Co-operative Wool Growers, Ltd., **H. Brown** and **W. P. Walker**, Deputy Wool Administrators; **George W. Fraser**, Fraser Wool Co., Toronto; **A. M. Shaw**, Director of Marketing Service, Dept. of Agriculture; **K. W. Taylor**, secretary, W.P.T.B.; **William Park**, assistant to the chairman, W.P.T.B.

J. R. Nicholson, Vancouver, appointed to manage Polymer Corporation Ltd., government owned company for synthetic rubber production.

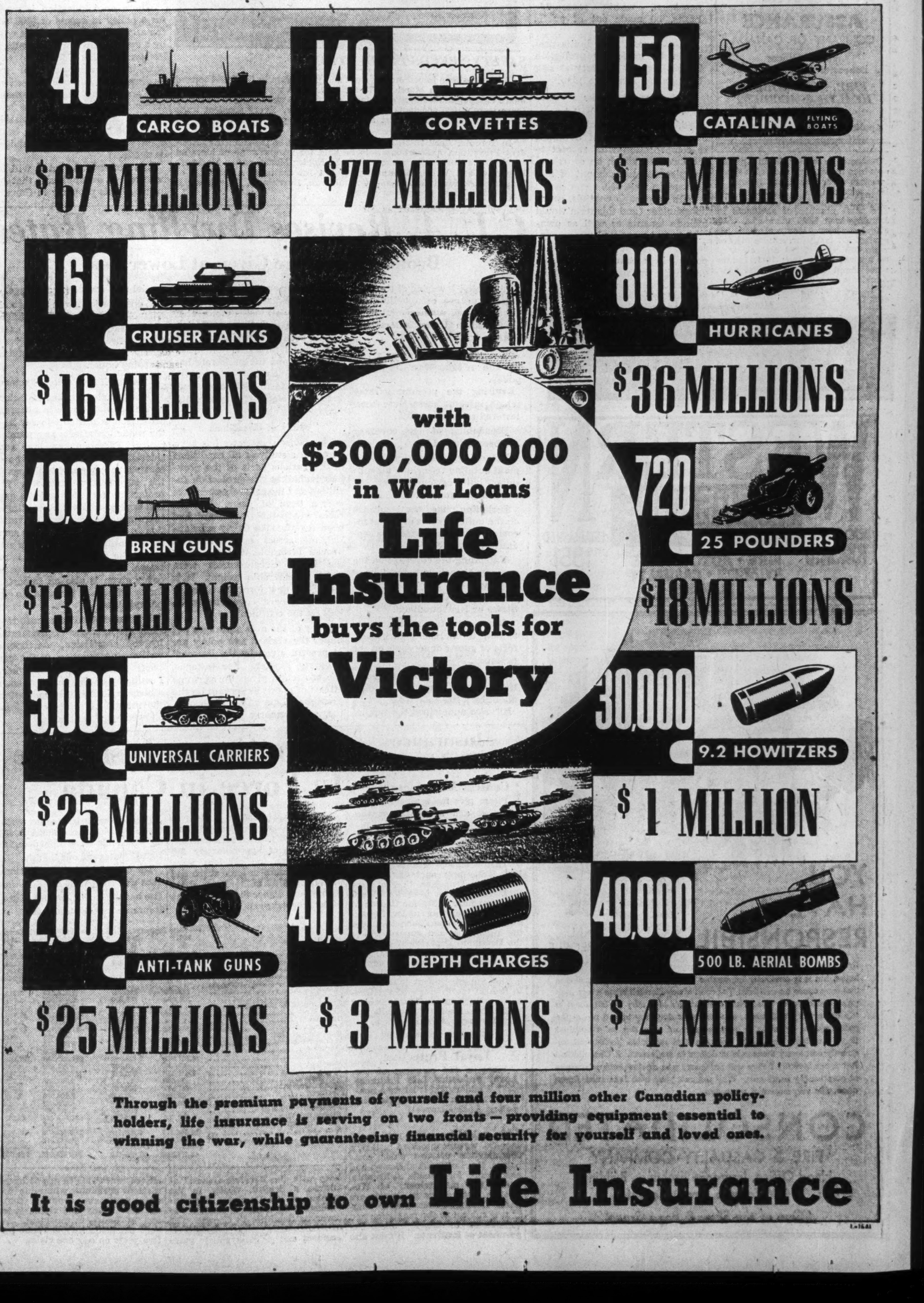
Some 49 million gallons of oil per year will be saved in B.C. by the order switching 790 plants and buildings from oil to coal.

SALES ABOUT TO HAPPEN

Canadian rural families are doing plenty of talking these days . . . True, they're discussing the war, politics, and the price of wheat—but—if you could peek into thousands of Canadian farms today you'd hear a lot of gossip about new machinery, replacements, wallpaper and building equipment. It's the kind of talk to warm the heart of any advertiser who has not paid much attention to Canada's rural market . . . Because, the farmer now has more ready cash than for many a year.

So if you're interested in getting a profitable slice of this rural business remember—ONE publication, the Family Herald and Weekly Star—will put you in touch with the biggest portion of Canada's rural market—over 300,000 readers in the best farming areas from coast to coast.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA



Through the premium payments of yourself and four million other Canadian policyholders, life insurance is serving on two fronts — providing equipment essential to winning the war, while guaranteeing financial security for yourself and loved ones.

It is good citizenship to own Life Insurance

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Admitted Assets .. $3,310,837.04
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FIRE, AUTOMOBILE, HEALTH & ACCIDENT INSURANCE
Application for Agencies Invited.

Automobile accidents in Quebec province in January showed a sharp increase over the same month in 1941, according to a report just issued by the provincial government. The total number of accidents in January was 1,029 compared with 870 last year. Montreal had 693 against 577 last year. Adults injured were 395 against 295 and children 86 against 51 in Jan., 1941. Deaths were about the same as last year. Accidents involving taxis rose from 76 to 150 and those affecting street cars from 39 to 60.

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TORONTO
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YOU HAVE A RESPONSIBILITY TO ALL THESE PEOPLE
Upon you lies the onus of guarding against unsafe conditions in your home, but it is obviously impossible to eliminate every circumstance that may cause an accident! You can't always foretell when a step may prove defective, or when tools or children's toys may be left about to trip an unwary tradesman, or when your dog may take a nip at the postman's leg or when a guest or servant may slip on a polished floor. Accidents happen in even the best regulated homes and frequently cost many thousands of dollars in settlement. A Consolidated Residence Liability Policy will safeguard you against such misfortune at surprisingly small cost. Why not ask your own Insurance Agent about this very essential protection.
CONSOLIDATED
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Insurance For When the Bombs Come

Here's How Ottawa Plans to Spread the Monetary Risks

The Federal Government has introduced a bill to provide for insurance against war risks and for payment of compensation for war damage to property. It is Bill No. 56, entitled "The War Risk Insurance Act."

The experience of other countries, and particularly of the United Kingdom in this war, has been surveyed to determine the plan most suitable for Canada.

Up to Dec. 7, 1941, it was possible to insure property in Canada against war risks, through the usual fire insurance underwriters. Since that date, such coverage has not been available. In these circumstances the government's measure recognizes that it is in the interest of the country as a whole that reasonable protection be provided against the hazard of war damage.

England too Late

In England, the problem of war damage to buildings was not dealt with until after the country had suffered extremely heavy loss from bombing over a period of about 18 months. The Canadian measure is in the nature of preparation in advance.

The principles underlying the bill are:

That the loss or injury to property by war damage should not be left entirely on the person who suffers it.

That it is proper that compensation, within reasonable limits, be made out of public funds.

That beyond such limits provision be made for protection by pooling the property at risk through an insurance plan.

How It Works

Every homeowner shall be entitled, without payment of a premium or the issue of a policy, to compensation with respect to the dwelling which he owns and occupies, for the amount of any damage up to $3,000.

With respect to chattels, every householder (and this term would include tenants as well as owners) is to be entitled to compensation, without premium or policy, in amounts that would vary with the size of the family. The allowance in the case of a married man with a wife and three children would be $1,500.

As to values above such amounts of free compensation, and as to all other classes of buildings and personal property, both commercial and private, the bill will make available an insurance plan at a reasonable rate of premium.

This premium will be a flat rate for the whole of Canada, on the principle that no penalty should be put upon those persons who happen to be in more vulnerable areas. Accordingly, the rate will be based on a degree of risk measured by less exposed localities and will give the benefit of such a rate to those who may be at greater risk. It is understood that the actual rate of premium will be left until such time as the act is passed and in operation and that the government will have the benefit of expert advice of experienced executives.

The bill provides for the use of the services of fire insurance companies and agents in administering the act as agents of the Crown. The association representing the fire insurance companies and the fire insurance agents have volunteered their services to assist in the administration of any insurance scheme and the government proposes to take advantage of the services so offered. As neither the agents nor the companies seek any profit, the insurance plan can be administered at relatively low cost, with a minimum staff.

Excludes Some Things

The bill sets certain limits on the properties to be insured, and in other cases on the indemnity to be paid. It is proposed to exclude items such as money, negotiable instruments, securities for money, use and occupancy of buildings, and also there will be limits put upon articles such as works of art, gold and silver plate, jewellery, precious and semi-precious stones, and also a limit as to the amount to be paid with respect to any individual chattel.

Where an application is made for a policy in excess of $250,000, the application is to be dealt with by a special Advisory Committee. Presumably this Committee will have representatives from the leading fire insurance executives in Canada and they will make recommendations as to the amount of insurance they consider should be accepted and the basis upon which the contract should be made.

It is understood that it will be required of an applicant that he insure all his property in Canada up to the value thereof and that the policies are to be subject to co-insurance.

Reconstruction Problem

In the event of damage occurring, the right of repayment or reconstruction is to be subject to the prior demands of war. There are now shortages of some materials for building purposes and reconstruction should properly be deferred wherever possible until after the war. Likewise, there might be destruction of goods which are not essential and which do not require to be replaced. Therefore, the government proposes that as a general rule the indemnity with respect to war damage would be deferred until after the war, with interest accruing upon it, but that immediate replacement or payment can be made where it is expedient in the public interest, or to avoid undue hardship or up to some minimum amount.

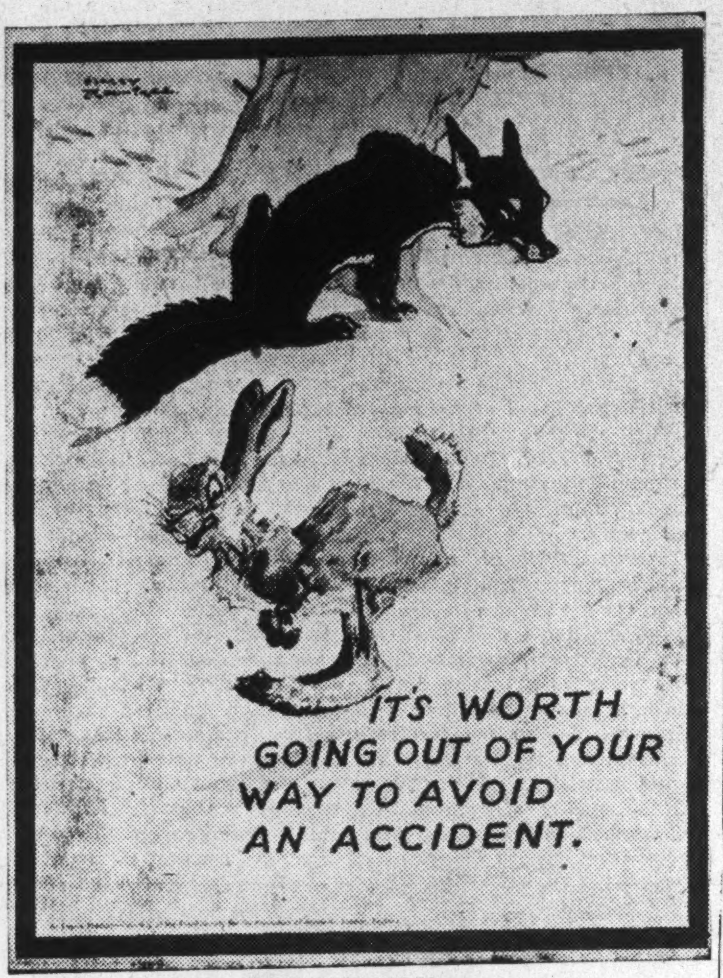
The bill excludes small amounts of damage by providing that no payment is to be made where damage to chattels is not more than $25 or where the damage to buildings is not more than $50.

War damage is defined to include damage resulting from enemy attack, or action taken in combatting the enemy, or preparatory measures under proper authority to hinder any attack, and also damage caused by the explosion of war munitions being lawfully manufactured, stored or transported in Canada. There will be an exclusion for damage resulting from "blackouts" or training measures, or damage occasioned by enemy agents resident or secretly in Canada.

Made Retroactive

To implement the statement made by Mr. Ilsley Dec. 24, 1941, that any plan would be retroactive to that date, it is provided that if any person suffers loss during the period between Dec. 24, 1941, and the 30th day after the commencement of the new Act, and if he makes an application for insurance within such period, his property will be covered by a policy which will be dated back to Dec. 24, 1941. However, the maximum amount of indemnity that would be payable in the case of such damage will be $50,000. The restriction to this amount is only applicable where the damage occurs within the period in question and prior to any application for a policy; such a restriction is deemed necessary as otherwise there would be an unlimited undertaking without any personal liability for premium.

The bill has had first reading and it is expected that it will go to the Banking and Commerce Committee of the House of Commons after the adjournment.



SAFETY SPEEDS PRODUCTION

Accidents have joined employment and production in the trend toward new high levels. In March 10,072 accidents were reported to the Workmen's Compensation Board of Ontario, of which 49 were fatal; in February there were 10,006 accidents including 31 fatalities. Every accident hurts the general war effort; most accidents can be prevented with proper precautions.

In Toronto, April 20-21, the annual convention of the Industrial Accident Prevention Associations is to be held for an exchange of ideas on accident prevention. Speakers will be H. Napier Moore, editor Maclean's Magazine, and W. H. Chestnut, president International Association of Industrial Accident Boards and Commissions, Harrisburg, Pa. Shown is a typical accident prevention poster.

C.U.A. Revises Dwelling Rates

Broader Coverage Given at Lower Cost

Substantial lowering of the cost of fire insurance on dwellings in Ontario is indicated by action of the Canadian Underwriters Association in:

Broadening the coverage given by the regular fire insurance policy.

Revising the premiums rates which in some cases have been lowered as much as 25%.

Broadening of the coverage has been effected by:

Extending the insurance on the main building to include all subsidiary buildings on the premises such as garages, etc.

Including under the insurance on the buildings loss of rental income. (This was formerly a separate coverage.)

Extending the coverage on the contents to include belongings of the insured or any of his family anywhere in Canada, the United States or Newfoundland.

Broadening the insurance protection to include personal effects of guests or servants on the premises.

Including in the coverage additional living expenses brought about by a fire.

It is also understood the supplemental cover on the fire insurance policy which has previously given protection against windstorm, smoke damage, riot, and explosion will be broadened to include war risks (No. 1 form) without additional cost and the basic rate has been cut in half. The war risk under No. 1 form includes damage due to sabotage, military aircraft, etc.

Study of Conditions

The revison of rates has been based on a study of all conditions in the various parts of the province including fire protection facilities, and the general experience over a term of years. In some cases where the fire hazard had been regarded as fairly substantial, the actual experience had proved favorable. In such cases the latter circumstances were given considerable weight. It is stated the new form issued is the broadest general cover for dwellings on the continent.

Some of the new coverages put under the revised fire policy are at present given by the Personal Property Floater. For instance, the protection given the personal effects of guests or servant on the premises. Loss of rental income, too, was formerly covered in a special rent insurance coverage.

The protection given against additional living expenses is designed to take care of those cases where a fire in a dwelling drives a family to take refuge in a hotel or boarding house.

Rates Based on Various Factors

Owing to the number of factors which affect the rate in different districts it is difficult to say how the reduction affects any municipality. Factors taken into consideration have been the type of construction, type of buildings in the surrounding territory, fire protection facilities and the general experience level. Accordingly, there may be considerable variation in different parts of the same municipality. But it has been estimated the average revision is between 10 and 25%. The broader cover given is also an important factor affecting the cost to the policyholder.

It is understood other rate revisions are in course of preparation by the association. At time of writing the reaction of the non-tariff companies is not known. Possibility of any cut by them as a body is limited it is believed by the margin of safety over losses allowed by present rates.

Insurance Problems

Central Manufacturers

Please give me a report on the standing and soundness of the Central Manufacturers Mutual Insurance Co.

This company was founded in 1876. It has been operating in Canada under Dominion license since 1923. Head office is at Van Wert, Ohio and head office for Canada at Toronto. Operating under Dominion license, its operations are under the regulation and supervision of the Dominion Department of Insurance. It maintains at Ottawa, with the Receiver-General, a deposit sufficient in the opinion of the Dominion Superintendent of Insurance to protect the interests of the Canadian policyholders. The company writes fire, limited automobile and inland transportation insurance.

• • •

Loyal Protective

What is the standing of the Loyal Protective Life Insurance Co.? I understand it issues a non-cancellable accident and sickness policy. Is this correct?

The Loyal Protective Life Insurance Co. was incorporated in 1937, a consolidation of two older companies. Head office is at Boston and head office for Canada at Toronto, under the management of Wm. Skelton. Operations in Canada are under Dominion license. Accordingly it is subject to the regulation and supervision of the Dominion Department of Insurance. It must also keep with the Receiver-General at Ottawa a deposit, which, in the opinion of the Dominion Superintendent of Insurance, is sufficient to cover its liabilities in Canada. The company issues a non-cancellable accident and sickness policy, guaranteed renewable to age 65 by payment of premiums when due. Sickness payments continue for 15 months on any one claim, regardless of house confinement. Accident payments may continue up to five years on any one claim.

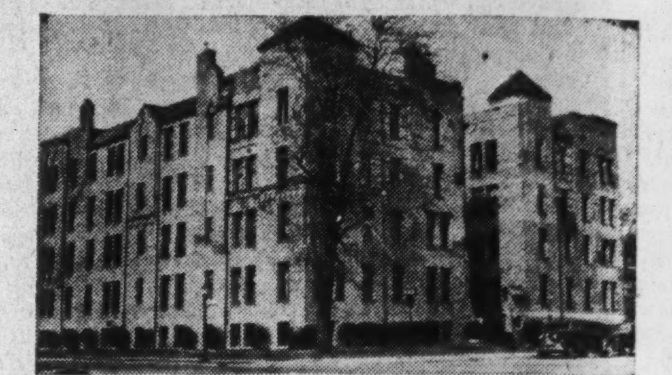
More Group Insurance In Force in Canada

New group insurance written in Canada by Dominion licensed companies in 1941 totalled $42.4 millions, an increase of approximately $15 millions over the previous year. Group insurance in force at the end of 1941 at $819.2 millions was about $90 millions higher than at the close of the previous year.

There were 19 companies writing group insurance in Canada in 1941, of which 13 were Canadian, five United States and one British.

The largest amount of group insurance was written by the Sun which also has the largest amount of group insurance in force in Canada.

	—New Insurance—		—Insurance in Force—	
	1941 $	1940 $	1941 $	1940 $
Aetna	8,201,190	977,150	110,135,469	93,635,993
Canada	4,863,277	2,855,833	91,266,795	83,304,027
Commercial	......	......	2,034,800	2,205,169
Confederation	1,921,625	1,812,517	28,289,787	25,533,044
Continental	......	......	51,000	73,000
Crown	139,500	229,500	1,360,540	1,314,780
Dominion	243,000	115,500	6,603,126	5,769,041
Equitable U. S.	......	......	2,072,800	2,146,600
Great West	704,500	3,053,216	28,824,194	25,736,633
Imperial	481,500	731,375	4,946,650	3,718,446
London	3,362,975	2,849,889	51,386,721	45,984,595
Dominion of Can.	.....	56,000	244,875	266,675
Manufacturers	25,000	134,403	7,635,255	8,215,544
Maritime	......	32,500	147,500	132,000
Metropolitan	4,101,543	2,110,060	122,857,564	107,390,535
Montreal	32,533	30,000	3,769,484	3,607,372
Mutual Canada	1,431,188	728,417	17,962,742	15,705,162
National	70,500	......	2,187,125	1,713,922
North American	497,167	128,500	3,071,906	3,371,660
Northern	23,500	82,000	2,404,000	2,383,250
Occidental	2,534,326	247,248	3,235,631	234,786
Prudential England	......	300,000	1,232,500	1,367,500
Prudential U. S.	522,705	494,000	18,518,493	16,943,432
Saskatchewan	......	......	84,000	86,000
Sun	12,562,675	9,037,742	268,413,215	242,758,430
Travelers	755,864	1,399,200	40,529,003	35,167,715
	42,474,568	27,405,050	819,265,175	728,765,311



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Insurance Company Reports

Travelers

New life insurance effected by the Travelers Insurance Co. in Canada in 1941 totalled $5.8 millions compared wtih $7.2 millions in 1940. Insurance in force at Dec. 31, 1941, was $129.1 millions compared with $123.7 millions the year before.

The company has been operating in Canada since 1865. Total assets of the entire company at the end of December, 1941, are shown at $1.1 billion. Assets in Canada at the end of 1940 are shown in the report of the Dominion superintendent of insurance at $32.2 millions of which $25.5 millions were held solely for the protection of Canadian policyholders. Figures for 1941 are not to hand at time of writing.

JOHN HAS REASON TO BE PROUD!
There's a glow of accomplishment in John's heart tonight! Delivering to a valued client the first of his monthly "continued income" cheques . . . a lifetime guarantee of security and leisurely comfort . . . is just the climax of a busy day of service.
This morning he helped one man to arrange a "continued income" for his family, started another on a plan to send his young son through college, and filed claim papers for a bereaved wife.
John lunched with a young couple who are getting married and figured a new insurance budget for them. After lunch he called on several business men. One was interested in group insurance, two partners wanted to know about business insurance, and another had a mortgage to take care of.
Delivering his friend's retirement cheque is John's last call today, but his work isn't ended yet. He'll do an hour's study at home before he calls it a day.
Hundreds of men like John are giving the same wide variety of service today to the more than 170,000 policyholders of The Mutual Life of Canada. Let their special knowledge and training help *you* find the answer to your problems.
In these difficult times, the certainty of an adequate "continued income" program is more than ever essential. Your nearest Mutual Life representative will gladly help you design an *individual* plan, specially suited to your needs. See him today!
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2. A lifetime monthly income for your wife and family.
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4. A special fund for payment of the mortgage on your home.
5. Adequate *personal* "continued income" for the day when you wish to retire.
All these needs *can and should be met* by your life insurance program. If *your* plan is not complete, your nearest Mutual Life representative will gladly assist and advise you. Or write direct to The Mutual Life of Canada, Waterloo, Ont. Do it today!
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ALL PROFITS FOR POLICYHOLDERS

How Can I Meet the New Double Death Duties?

For many years succession duties have been levied by the Canadian provinces on all sizeable estates. When the Dominion Government recently entered the field, the burden of death duties was greatly increased. Failure to plan how the new conditions are to be met will likely involve serious trouble for heirs and businesses involved and cause estate charges to exceed legal requirements.

The Financial Post herewith presents the fourth of a series of articles discussing the various problems that may arise and the best ways of meeting them. The writer, W. E. N. Bell, is a graduate of Osgoode Hall Law School and is associated with the Manufacturers Life Insurance Co. Since 1937, he has specialized in tax matters and problems affecting estates. Mr. Bell is a graduate of the University of Toronto; was a member of the Varsity rugby team, and captained the Canadian cricket team sponsored by Hon. R. C. Matthews that visited England in 1936.

By W. E. N. BELL
Taxation and Insurance Consultant

There are four factors which determine the rate at which an estate will be taxed:

The size of the estate.

Location of the assets.

Relationship of the beneficiary to the deceased.

The method of distribution.

The following table gives a comparison of rates of tax levied against estates of three different sizes and shows the rising rate of tax on estates of increasing size. The estate in each case is left outright to the deceased's widow.

Size of Estate	$30,000	$500,000	$5,000,000
Rate of Tax:			
Dominion	2.9%	16.15%	26.8%
Ontario	1.495%	14.375%	33.35%
	4.395%	30.525%	60.15%

The rates of the Dominion tax on the estates left to the widow range from 2.9% to 26.8% and in the case of the Ontario tax from 1.495% to 33.35%. If a deduction of $1,000 were allowed in each estate, it would reduce taxes in the $30,000 estate by approximately $43.95, while in the case of the $5,000,000 estate the tax reduction would be $601.50. It follows that when action is taken which tends to reduce the taxable estate, such as making gifts during lifetime, the reduction is on the most highly taxed portion of the estate.

Relationship to Deceased

Second factor determining the tax rate is the relationship of the beneficiary to the deceased. A wife and dependent children are not required to pay as high a tax under the Dominion Act as a child over the age of 18; the latter child is not taxed as heavily as a brother or sister of the deceased; the brother or sister not as heavily as an unrelated person. The following table gives a comparison of Dominion rates of tax applicable to estates of the sizes considered above when left to one person of differing relationship to the deceased.

	Beneficiary			
Size of Estate	Wife	Child over 18	Brother	Stranger
$ 30,000	2.9%	3.9%	4.4%	5.1%
$ 500,000	16.15%	17.35%	18.35%	19.35%
$5,000,000	26.8%	26.9%	26.9%	26.9%

Ontario rates under a similar comparison would be:

	Beneficiary			
Size of Estate	Wife	Child over 18	Brother	Stranger
$ 30,000	1.495%	1.495%	11.64%	17.1875%
$ 500,000	14.375%	14.375%	24.6%	34.375%
$5,000,000	33.35%	33.35%	36.0%	43.75%

The third factor determining the rate of tax is the location of the assets. As has already been covered in a previous article (March 7, 1942), it is a luxury for a man to live in one taxing jurisdiction and own assets, other than real estate, in another taxing jurisdiction. If he does, then the asset which he owns outside of the jurisdiction of domicile will be taxed in the jurisdiction in which it is situate as well as in his jurisdiction of domicile.

Method of Distribution

The fourth factor is the method of distribution used. The same estate going to the same people in slightly different ways will be taxed at different rates. In the first group of examples considered it was assumed that the estate would be distributed outright to the widow. It should be recognized that on the death of the widow, which might occur shortly after the testator's death, the estate which the widow received would be taxed all over again.

A very substantial tax reduction would have been effected if the testator had given his widow the income from the estate for her lifetime and passed on the capital to his children on his widow's death. This tax reduction would be made up in two ways. First, no tax would be paid on the widow's death, and secondly, due to the taxing of the estate in the hands of more than one person, the individual shares would be smaller and therefore taxable at lower rate.

A Widow and Four Children

In the following examples it is assumed the deceased left a widow and four children under 18.

Example 1

Estate, left outright to widow	$30,000
Tax on testator's death:	
Dominion tax	nil
Ontario tax	448
	448
Tax on death of widow:	
Net estate of	$30,000
Less $448 (left to 4 children)	29,552
Dominion tax	nil
Ontario tax	421
Total succession duties by the time the money arrives in the hands of the children	869

Example 2

Estate	$30,000
Left income to widow age 47 and on her death capital to four children equally.	
Tax on testator's death:	
Dominion tax	nil
Ontario tax	448
Tax on widow's death	nil
Saving	421

Example 3

Estate	$1,000,000
(Same method of distribution as in 1)	
Total Dominion tax	255,880
Total Ontario tax	284,220
Total	540,100

Example 4

Estate	$1,000,000
(Same method of distribution as in 2)	
Total Dominion tax	145,700
Total Provincial tax	171,000
Total	316,700
Saving	223,400

Example 5

Estate	$1,000,000
The deceased leaves his widow an annual income of $14,000 or the income from a portion of the estate large enough to produce $14,000 per year and the balance of the estate is distributed to four children in trust or by outright bequest.	
Dominion tax	136.800
Ontario tax	151,450
	288,250

Under 5, $28,450 less tax is paid than under 4 and yet the plan might suit the testator's wishes just as effectively if he gives due consideration to what he is trying to accomplish.

Of these four factors which determine at what rate an estate will be taxed, three are subject to some degree of control.

The size of an estate may be reduced by gifts.

The location of assets may be controlled by concentrating investments in the jurisdiction of domicile either by not investing outside the jurisdiction or, if such outside investment is made, by carrying the investment in the name of a holding company.

Relationship is not subject to control. The method of distribution is, of course, determined by the testator's wishes but these may be carried out often at less expense to the estate under one plan of distribution than under another.

When Tax is Payable

One further point remains for consideration: When is the tax payable? The Dominion Act and some of the provincial Acts allow a period of six months after death of the deceased for payment of the tax. If the tax is not paid then, interest on the amount of the tax is charged. This interest charge in some cases reverts back to the date of death and, in other cases, applies only to the period dating from the time the tax was payable. Further provision is included under a number of the acts permitting the tax on life interests or annuities to be paid over a period of three or four years.

If payment on such income bequests is made in a lump sum prior to the date when the installments fell due, certain taxing jurisdictions provide that the money paid in advance will be entitled to a set rate of interest.

In the third article of this series, an example dealing with charitable donations was considered. The Dombinion Act (Sec. 7 (1) [d]) dealing with this exemption is ambiguously worded. The Department has ruled that only one half of each individual charitable bequest is exempt, the remainder being taxed as passing to a stranger, at the highest rates. Although this ruling has been challenged, it apparently will stand unless or until the Act is amended. Its effect should be carefully considered by persons who have left substantial amounts to charities, or who are considering doing so.

Municipal Finances

Ottawa tax rate for 1942 has been set at 36 mills, a reduction of 1 mill from the 1941 rate, the lowest tax rate since 1932. The reduction was accomplished in spite of the cost-of-living bonus for civic employees payable from Jan. 1, and an added $40,000 for relief imposed upon the city by the provincial government. These new items were more than balanced by a reduction in debt charges and by an increase in the assessment.

• • •

Vancouver City Council has passed by-laws authorizing it to borrow $2,335,000 at 4% from the Bank of Montreal. Of the total $2,000,000 is being raised in anticipation of collection of 1942 taxes, of which all may not be needed. The remainder is made up of $275,000 to cover the city's share of the General Hospital building, which loan will be repaid over 7 years, and $60,000 to reimburse the Canadian Pacific Railway.

Who Bears the Brunt of Income Taxes?

Tabled Recently in the House of Commons Were the Figures on Income Taxes Assessed in Canada for the 1940-41 Fiscal Year—Of $52.4 Millions Assessed, Over 55% Was Paid by the 1% of the Taxpaying Population With Incomes Over $20,000 — In the Accompanying Table, Each Small Figure Represents 10% of the Taxpayers, each Coin Represents 1% of the Income Taxes Assessed.

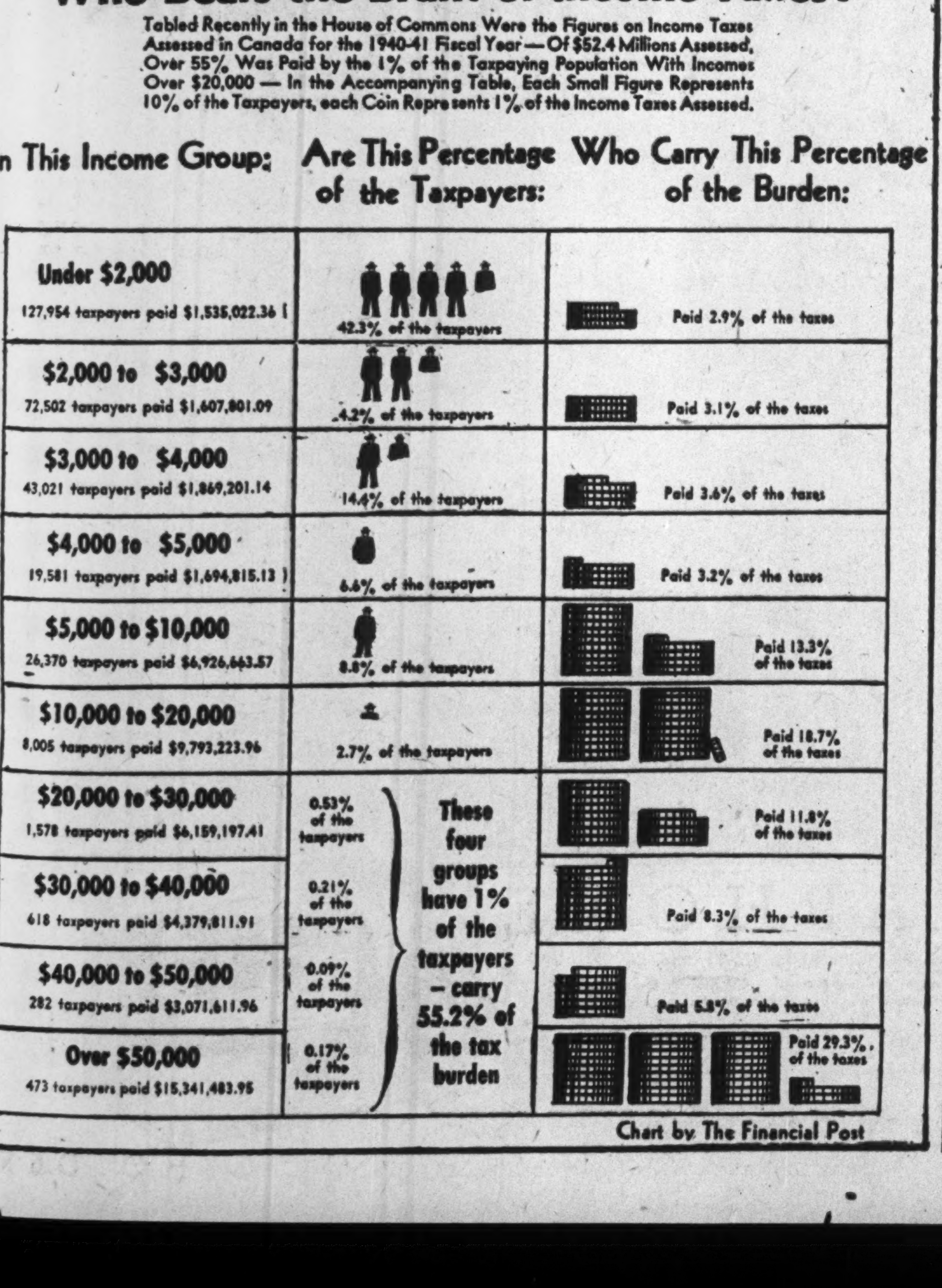


Chart by The Financial Post

C.I.L. Sales Up Profit Down

From Our Own Correspondent

MONTREAL.—Sales of Canadian Industries Ltd. for the first quarter of 1942 were above last year, but profits were again lower, according to George W. Huggett, president and managing director, at the annual meeting of sharehlders.

Construction and new productive facilities strengthened earnings in times of peace, but plant expansion is now limited, said Mr. Huggett, to strategic materials and during the present year will be considerably lower than in 1941.

Offset Higher Output

Looking ahead Mr. Huggett says it is possible earnings will continue below the 1941 level. The disruption of former sources of supply, the altered distribution of output and higher labor and material costs, he added, are expected to offset the effects of increased essential production.

In discussing operations of the current year, it is pointed out production of essential materials must be further expanded and will be clearly accompanied by curtailment of other output.

Effects of War

War demand has necessitated complete change in the character of output by many companies. C.I.L., however, has not as yet been required to undertake large-scale conversion of plants as chemicals are consumed to a large extent in the production of essential industries. A very large portion of the 1941 increase of 25% in company sales was attributable indirectly to wartime expenditures, although the greater activities of the exporting industries also made heavy demands.

D. I. L. Position Outlined

A more direct contribution to the national effort was, said Mr. Huggett, made by Defence Industries Ltd., producing war materials in great quantities and a progressive increase in output is under way.

While Mr. Huggett was not able to refer to actual quantities of specific products, he did say some conception of the huge task undertaken can be gained from the steadily increasing number of employees, now totalling about 30,000, and from the magnitude of expenditures. Including the amount spent on construction, expenditures since the outbreak of war now total over $135 millions.

In this connection, continued Mr. Huggett, dividends from D.I.L. in respect of 1941 were equivalent to only 5% of the total net income of C.I.L. and in 1940 they were equivalent to 2.2%.

B.C. Coal Demand Soars; Production Big Problem

Changeover of More Heating and Steam Units From Oil Imposes Heavy Responsibility on Mine Operators

From Our Own Correspondent

VANCOUVER.—It took a world war to give the British Columbia coal industry victory over the competition of foreign fuel oil, but the winner may have some difficulty in taking advantage of the triumph. For the first time in a generation people are beginning to wonder whether the coal industry will be able to meet the demand for its product.

In March, Oil Controller Cottrelle ordered schools, municipal buildings, hospitals, apartment houses and other buildings to change their heating systems from oil to coal, with an estimated oil saving of 14 million gallons. Some 725 buildings in all were affected.

Last week the order was extended to cover 165 commercial and industrial heating and steam plants in British Columbia, for a saving of an additional 35 million gallons. Householders have not been affected as yet, nor has the order yet been carried to the inland provinces although Regina and Moose Jaw are switching steam power plants over to coal.

Goes Back

The British Columbia coal industry's battle with fuel oil competition goes back a good many years and has been responsible for many economic and political controversies in this province during the past decade.

The coal business of Vancouver Island was the first to assume major stature in the pioneer days of the province when the Dunsmuir interests built the greatest individual fortune west of the Canadian Rockies by developing markets from Alaska to South America for the black nuggets of Nanaimo.

The long drawn-out labor strike in 1913 was a decisive factor in breaking coal's virtual monopoly. American industries on the West Coast turned to cheaper coal in Utah, and in subsequent years more and more fuel oil was imported. When the coal trade complained that oil companies were charging artificially high prices for gasoline so as to build the sale of fuel oil, the Pattullo government appointed a royal commission to investigate. The findings of this commission, headed by the late Justice M. A. Macdonald, resulted in control of the oil companies by the newly organized Petroleum Board and created an important political issue for the last election in which the Pattullo government was defeated.

Boosts Coal Output

Establishment of the Oil Control, which took precedence over the Petroleum Board, and the growing shortage of oil have worked in favor of the coal industry. Production in British Columbia has increased steadily. Last February 178,500 tons of coal were mined in British Columbia, compared with 126,000 tons in February, 1941. The Nanaimo coal fields are pretty well exhausted, but Comox and South Wellington, both on Vancouver Island, have advanced, and so has East Kootenay.

"Our biggest problem is man power, but we hope to meet all demands," says H. R. Plommer, general manager of Canadian Collieries (Dunsmuir) Ltd.

Look For Deal On B. C. Apples

From Our Own Correspondent

VANCOUVER.—Fruit growers of British Columbia face a rather dismal prospect this year as a result of the inability of the United Kingdom to import apples as it did last year.

The apple crop is expected to be a heavy one—possibly six million boxes, but there will be a large surplus unless domestic markets can be developed to absorb a larger proportion of it, and hopes for success in that respect are fairly high in view of the increased employment and earning power throughout the country.

Now that the Dominion government has completed the deal for Nova Scotia's crop it is expected that an early decision will be reached regarding the B.C. crop.

Last year the British market took 1.2 million boxes. In 1940 sales overseas were negligible.

Shortage of ships is primarily responsible for elimination of British sales this year.

Halifax Studies Plan For Staggered Hours

From Our Own Correspondent

MONTREAL. — Staggered hours for Halifax workers are expected to be in force in the near future. Officials of Nova Scotia Light and Power Co., which operates a tramways system in Halifax, are conferring with heads of the dockyard, shipyard and terminal facilities in an attempt to relieve transportation congestion.

The difficulty in Halifax, as elsewhere, is to relieve the three-hour peak load which occurs in the morning and in the evening.

Reasons why you should consult our trust officer NOW

WITH both the Dominion and Ontario Governments now in the Succession Duties' field of taxation, the settlement of such taxation has become one of the most exacting duties of the Executor.

It is therefore important that a Trust Company be appointed your Executor rather than an individual.

With this Company as your Executor, you obtain the services of specialists in taxation, accounting and Estates' Management.

Write for our booklet "Concerning Ontario and Dominion Succession Duties".

CHARTERED TRUST
AND EXECUTOR COMPANY
TORONTO MONTREAL

Consumers Fin. Bought by I.A.C.

Merger Eliminates Some Duplication of Service In Finance Business

Control of the outstanding capital stock of Consumers Finance Ltd. has been acquired by Industrial Acceptance Corp. Consumers Finance head office was in Ottawa with branches at Peterborough and Kingston.

R. G. Stephens, Consumers president, states that for many years Industrial Acceptance was Consumers' strongest competitor in the territory served. For the time being there will be no change in financing arrangements or personnel.

It is explained that the offer was accepted due to the satisfactory price offered shareholders, the national necessity of eliminating duplication of services, need for operating economies and conservation of labor in time of war (80% of Consumers male employees have joined the armed forces).

In 1941 Consumers had a net profit of $3,407, insufficient to cover preferred dividend requirements. R. G. Stephens, president, remarks that due to necessary wartime restrictions on the production and sale of consumer's durable goods, a substantial reduction in volume is expected in 1942.

Boeing of Canada Backlog $30 Mill.

From Our Own Correspondent

VANCOUVER. — Orders for aircraft and parts held by Boeing Aircraft of Canada now amount to more than $30 millions, according to the annual report of the parent company in Seattle, Wash.

The Canadian subsidiary, where production of PBY flying boats is now under way, employs more than 3,000 men and women and last year had a net profit amounting to $72,798, according to the report.

The United States company, which is the chief source of the famous Flying Fortress bombers, realized a profit of $6,113,143 in 1941, equivalent to $5.65 a share, compared with 35 cents a share in 1940.

AS I SEE IT...

BY *The Honourable Ian A. MacKenzie*

MINISTER OF PENSIONS AND NATIONAL HEALTH

Many of our people have not grasped the meaning of *total war.*

When Canada is at war — each individual Canadian is at war.

We will win — we must win — but we cannot expect to win so long as we leave to somebody else the doing of that which we can ourselves do.

Let me illustrate by three phases of our war effort that come especially within the jurisdiction of my own department — that of Pensions and National Health.

1. AIR RAID PRECAUTIONS:

These are measures that each person must take in his own home and neighbourhood for the protection of lives and property of himself and family.

The armed forces will grapple with the enemy, but your personal safety will depend largely upon knowing what to do yourself. You must know how to black out your own home and how to deal with a fire-bomb on your own roof or doorstep. You must know your local air warden and the location of the nearest first aid post.

The Government has supplied equipment. Tens of thousands of men and women have enrolled as volunteers. Large-scale emergency plans have been prepared.

But all this cannot help you, unless you do your part personally. Where air-raid precautions have been called for there is a full-sized war job for every man and woman — and it is one that no government or committee can do for you.

2. HEALTH:

Only a physically fit nation can wage war effectively. National fitness means individual fitness of all people.

The Department of National Health has distributed much information about the proper selection and preparation of foods. Sound rules for health have been widely publicized — but only individuals can put them into effect.

National fitness is not something you can leave to governments. It is a phase of our war effort that calls for direct personal thought and action.

3. REHABILITATION:

We have in Canada today 40,000 men who have served in the armed forces and who have been discharged to civil life. Eventually we shall have several hundred thousands. Far-reaching rehabilitation plans, including pensions, treatment, vocational training, and financial aid have been adopted by the government.

Primarily, each discharged man seeks immediate work, preferably in his own home town and suited to his inclinations and abilities. Governmental agencies are trying to help him, but no matter how far governmental effort goes there will always remain some additional measure of help that only a man's friends and neighbours can extend.

Have you done anything to help ex-service men in your neighbourhood? They gave their services for you — you have a personal responsibility to them.

These three problems are within the scope of my department — which is only one of seventeen, each with its special function calling for your cooperation. There is the matter of thrift, the conservation of our material resources such as gasoline and rubber, a problem directly involving personal effort.

Success in these matters depends upon the individual. Success means victory. Failure means defeat. And failure will be our lot unless each Canadian pulls his full weight.

Never let it be said that free Canadians suffer from a sense of futility and frustration for lack of a field in which to contribute to this country's war effort.

We are a free people. It is the custom of the enemy peoples to do what they are told. It is the genius of our people to do voluntarily what needs to be done. We will tolerate no dictator. We value the right to choose how we shall live our lives. That is the essential thing for which we fight at all.

Let us all as individuals survey the field of our national war effort. Let us note wherein each of us can help.

There is plenty to do — but it will never be done if we wait for somebody else to do it.

Only when each man and woman has done his or her own part, will Canada have reached the stage of total war: And when that stage has been reached, none of us will have cause to find fault with the other.

And so — let us on together to Victory and Peace.

MINISTER OF PENSIONS AND NATIONAL HEALTH

★ This article is the eighth of a series, by Canadian legislators, on matters of vital World and National Interest. This series will be published in newspapers across Canada; the next to appear on May 2nd, followed by others on alternate weeks thereafter.

This space is donated to Canada's United War Effort by the Hull Iron & Steel Foundries Limited

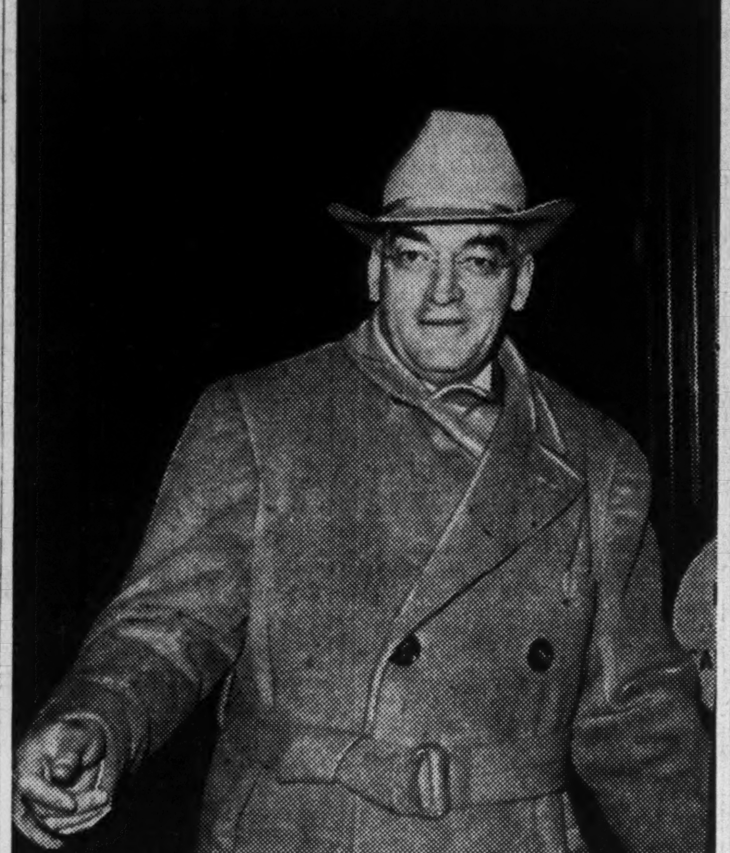
Jap Exodus Gains Speed

And Leaves a Big Replacement Problem in Its Wake

From Our Own Correspondent

VANCOUVER.—Solution of one of British Columbia's major defense jobs and one bristling with complications—the evacuation of Japanese from the coastal area—is now well under way, although many months may elapse before all of the 24,000 pre-war Nipponese residents of this province will be settled far from the "danger zones."

The task has been undertaken by the security commission headed by Major Austin C. Taylor, assisted by the Royal Canadian Mounted Police and the provincial police. As a result of the commission's activities so far, British Columbians who saw in the presence here of thousands of Japanese the threat of sabotage and fifth column trouble are feeling considerably relieved.



Not since the days of Evangeline has Canada seen a mass movement to approach the shift of Japanese from strategic coastal areas. Moses of this modern exodus is burly Austin C. Taylor, boss of Bralorne Mines, the biggest gold producer in British Columbia. First phase of moving out the Japs nearly complete, Taylor faces the equally important job of finding suitable work in suitable locations for his charges.

No Blueprints for Taylor

Compulsory mass evacuation of such a vast number of men, women and children was without precedent in this country and for that reason the Taylor commission has had to work without blueprints of any kind. Ottawa gave far-reaching authority to Taylor and his two assistants, representing the R.C.M.P. and the provincial police. It was realized that most of the problems would have to be worked out on the ground and that to hamstring the board with a lot of definite instructions would defeat the main purpose—to get the Japanese away from the coast—and as speedily as possible.

The problem faced by British Columbia was considerably greater than that of California or the other western states with large Japanese populations to deal with. A fact not often appreciated is that more Japanese have been living in British Columbia on a per capita basis than anywhere else on this continent. Throughout California, Washington and Oregon there were estimated to be about 120,000 Japanese when war began; there were nearly 25,000 in British Columbia, whose total population is barely one ninth that of the Pacific states combined.

Every Trade Affected

The Japanese in British Columbia were engaged in almost every industry and occupation, with a preference for fishing, fruit growing and logging. In the cities they operated many of the grocery stores, cleaning and dyeing establishments, lodging houses and fruit stores.

They had settled throughout the Fraser River, having first established themselves in the salmon fisheries near the mouth of the river and built up the village of Steveston into a community essentially Japanese. All along the river valley they acquired fertile acreage and farmed, eventually winning virtual control of the berry and small fruit trade. They operated many small logging camps in the lower mainland area, and hundreds of them found jobs with the pulp and paper mills.

At the outbreak of war British Columbia was without a definite plan for handling the Japanese problem. Evacuation had not even been seriously suggested, although some of the more suspicious alien Japanese had already been rounded up and interned. A complication lay in the fact that the Japanese belonged in several citizenship categories. There were thousands of Japanese who had come here from the Orient and never been naturalized. There were others who had taken out their papers. Then there were many of the younger Japanese who had been born in Canada, although some of them had returned to Japan to complete their education. The authorities were puzzled as to how they should distinguish between these various groups.

No Half Measures

Gradually it became evident that half measures would only cause trouble and encourage charges of discrimination. The Canadian government finally established the policy that all Japanese should be removed from the coastal area. The decision was based on two major grounds—one being that evacuation was the only certain way of preventing sabotage; the other, that loyal Japanese would be protected from hostile demonstrations as a result of developments in the Orient. Even the Japanese themselves agreed that the programme of evacuation was justified.

The task facing Taylor's security commission had three major aspects:

Transportation of the Japanese from their various homes.

Concentration of the emigres in a place where they could be guarded while awaiting removal to their final destination.

Provision of employment and lodging for the Japanese at places well removed from the coast.

Three Weeks' Migration

Within three weeks of the commission's appointment the first phase had been settled. Several boatloads of Japanese were brought down from various upcoast points where they had been living in scattered fishing and logging communities in pulp and paper towns.

The Hastings Park exhibition buildings at Vancouver were requisitioned and converted into a concentration base and many of the families included in the upcoast roundup were placed there until such time as they could be transported inland. It is likely that some Japanese will be at Hastings Park all summer, although it is the policy of the commission to move all Japanese from the coast eventually.

One of the most serious snags encountered at first was the reluctance of other parts of Canada to help absorb the Japanese from the Pacific coast. Even the Okanagan Valley and other interior areas of British Columbia rebelled at "peaceful infiltration" of the Japanese, many of whom had "beaten the gun" and moved voluntarily with a view to re-establishing themselves in districts acceptable to the government. To prevent uncontrolled migration of that kind the commission promptly took measures to prevent Japanese from entering localities where they were not wanted.

Provinces Co-operate

The co-operation of Ontario and the other provinces has been of considerable assistance, although at first Ontario was hesitant to accept the Japanese. Now, it is understood that about 3,000 B.C. Japanese will be given work in pulpwood camps in northern Ontario, and two or three thousand will be employed in the beet sugar fields of southern Alberta. It is probable that as the harvest season approaches, large numbers of Japanese men and women will be used as replacements for farm labor that has drifted to war industries or joined the fighting forces.

Even before the Taylor commission was appointed, the government had taken steps to immobilize the Japanese fishing fleet in British Columbia, and the day after Pearl Harbor orders were given the navy and the R.C.M.P. to round up the 1,100 vessels manned by Japanese in coastal waters. A separate commission comprising a naval commander, a supreme court judge and a Japanese businessman, was appointed to dispose of these craft to white fishermen, and so far several hundred have thus been transferred. The navy itself commandeered some of the larger boats and now the Dominion government is making arrangements to compensate the fishing industry by subsidizing the construction of twenty or more new vessels.

Selling Property

The Japanese were given a deadline by which they were required to dispose of their automobiles, trucks and other belongings. After that date the Alien Property Custodian took charge, but arrangements have been made to compensate the original owners equitably. Even the Japanese who owned seized fishing craft were paid off at a rate regarded as reasonable by the commission. As a precautionary measure, Japanese were compelled to surrender all firearms, explosives, radio equipment, cameras and similar equipment soon after Japan went to war with Canada.

Dislocation Follows

Sudden removal of Japanese from British Columbia industry is certain to cause some dislocation, chiefly in the fishing, pulp and farm activities. So far as fisheries are concerned, there will be fewer fishermen—all whites and Indians—but they will be permitted to operate more intensively and thus maintain a high quota of production. The pulp mills have been obliged to find new men to replace the Japanese, a difficult undertaking in view of the universal labor shortage.

As for the farm crops, the situation is still indefinite. There is certain to be a shortage in berry production for the canning industry. Efforts have been made to induce Japanese farmers to lay fertilizer on their lands this spring, as usual, but most of them have failed to see any advantage in doing so inasmuch as they are unlikely to share in the proceeds of the crop. Where to find the men to cultivate the lands during the growing season and later to harvest the crop is a matter now being given thorough study, and plans are being made to enlist large numbers of women and school children during the summer so that agricultural production will not suffer any more than necessary as a result of the Japs' withdrawal.

Property Held in Trust

Disposal of property owned by the Japanese and not within the various categories mentioned is a matter of adjustment between the Japanese and the security commission and the Alien Property Custodian's office. The general understanding is that the Japanese are able to make their own arrangements for sale of their household possessions until such time as the commission is able to arrange for their evacuation, at which time the custodian takes formal charge of the property. Terms of compensation have not yet been definitely settled.

Whether the Japanese will be permitted to return to their former habitat on the coast is dependent entirely on future developments, although one member of the government recently stated that, so far as he was concerned, none of the Japanese would be returned to British Columbia.

"The commission will allow no case of hardship among the evacuated people," states Major Taylor. "This is a definite promise we are required to fulfill by the government and, with the co-operation of the people, we intend to carry it out. There is no need for the Japanese to sacrifice their assets in an unfavorable market. The custodian has been charged with protection of all property voluntarily placed under his control.

"This is not confiscation. Property delivered to the custodian will be administered in the interests of the Japanese evacuated, taking into consideration the debts he owes in the protected area. And such property will not be disposed of at a sacrifice to pay such debts."

New Books . . .

Japan Can Not Last Long

THE SETTING SUN OF JAPAN. By Carl Randau and Leane Zugsmith. Published by the Macmillan Co. of Canada, Toronto. Price $4.

Two American newspaperfolk, Carl Randau of PM and his wife, Leane Zugsmith, went to Japan just one year ago. They spent some months there as well as in China, Thailand, French Indo-China, Singapore, the Netherlands East Indies and Australasia. This is the story of their adventures. The book was largely written before the events of December 7 and after, wherein Japan has obtained command of strategic areas and vast resources in the Far East. But the authors have had the courage to title their book "The Setting Sun of Japan" in spite of those facts. For a "setting" sun, Japan's orb may seem to be shining pretty brightly at the moment. But the authors don't think Japan can stand up to the united strength that is being mobilized against her. They say that, before the war broke out, they could foresee that Japan would appear, in the early stages of her attack, to be invincible. "She will actually be no more irresistible than Two-Gun Crowley when he was able to barricade himself for many hours against the mobilized police force of New York City." Once Japan loses the initiative she will quickly crack up, the authors avow. "Her sun will set as abruptly as it arose."

The authors give a racy account of their weeks in Japan. It is an intimate picture of Oriental totalitarianism, where a mass of industrious, superstitious folk are ruled by an inner handful of selfish militarists. They report many conversations of a type with Japanese who hated their bosses and feared the consequences of war. But realistically they do not doubt that these same Japanese are today obeying their rulers unquestioningly.

To Canadians there will be particular interest in the discussion of the position of the "Nisei," the American-born or Canadian-born Japanese. Mr. Randau and his wife make it clear that the true loyalty and patriotism of many of these is to the land of their race. They ran across many ex-Nisei's in Japan and in occupied China. To most of these Japanese, American citizenship was handy as a possible means of aiding their real country—Japan. According to Japanese law a child is the subject of a country where his parents were born. That makes many American-born and Canadian-born Japanese a problem both to North America and to Japan itself. The authors provide plenty of evidence that many at least of these citizens of dual nationality are more loyal to Japan than to the land of their birth.

Science and Our Future

THE MEN WHO MAKE THE FUTURE. By Bruce Bliven. Published by Collins, Toronto. Price $3.75.

Much of the material in this volume appeared earlier in The New Republic (of which Mr. Bliven is the editor) and in the Reader's Digest. Publication by the Digest of a series of articles on a single subject is evidence of high merit as well as of readability in the study. And indeed "The Men Who Make the Future" is material of prime importance. Mr. Bliven has gone to the scientists of America and to the laboratories where the future is being shaped. He brings together a record of their recent discoveries and of their hopes for tomorrow, in medicine; in the study of the chemistry of the body and the workings of the mind; in machinery and materials; in the new universe of the atom; and the old universe of vegetable life.

Long as is the list of scientific dreams fulfilled, the list of the unsolved mysteries that challenge science and cited by the author is longer. Wisely, Mr. Bliven recognizes, too, that science has more to do than find cures for the common cold or raise the octane rating of gasoline. He lists new fields that have been charted for it: the tax system, the distribution of wealth, worry, the moral code, travel; even "rumor damper and lie sterilizer."

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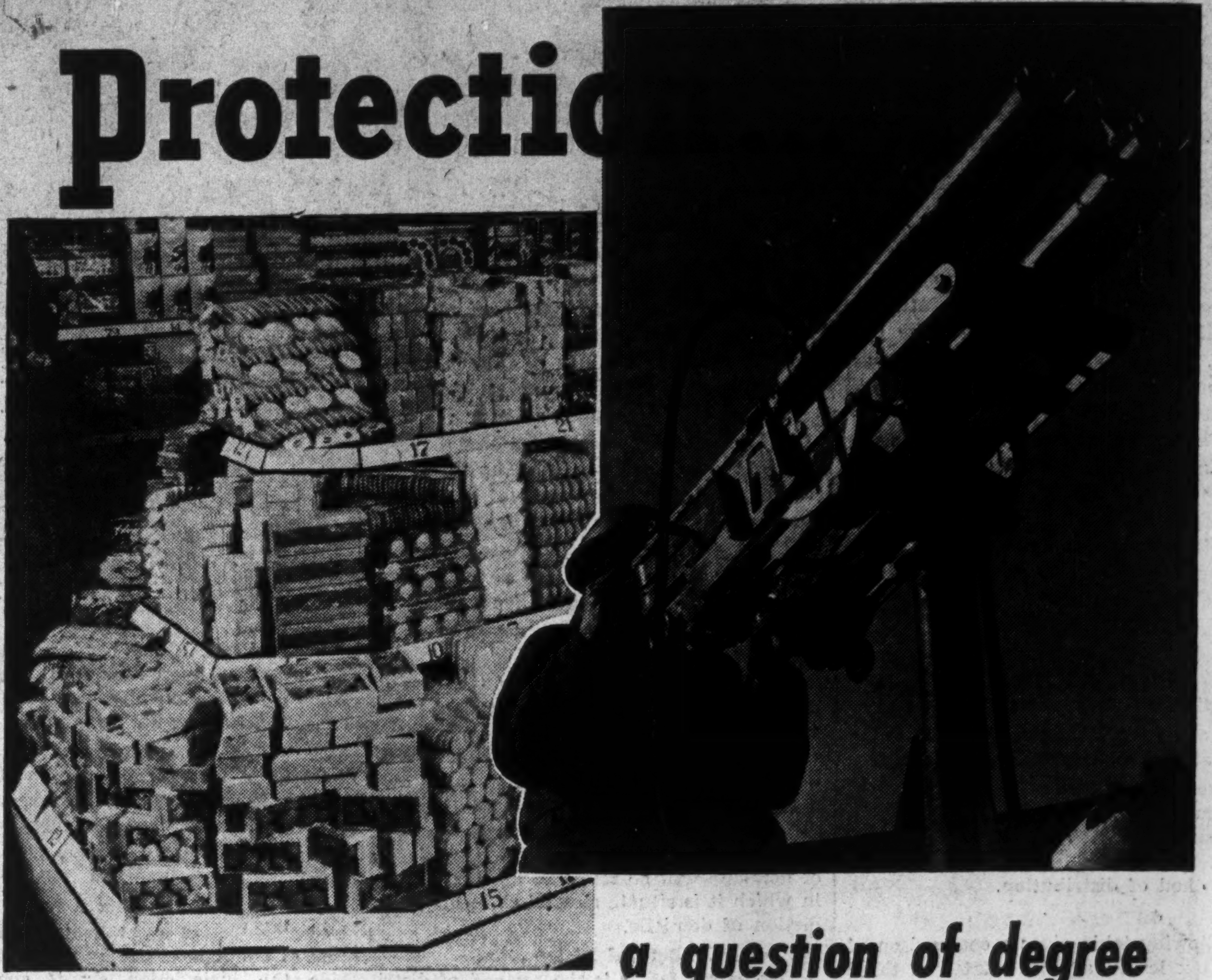

a question of degree

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Out of the Blitz—A Brighter Britain

Bombings Give Britain's Builders the Biggest Opportunity Since the Fire of London

By **STAFF WRITER**

LONDON.—Great Britain is trying to make a "total effort" in the war and at the same time plan for the days of peace that are to come.

The two jobs are not thought of as falling into different categories—to be done separately. Over a very large field, Britain has combined war and postwar policies in one broad basic plan. Examples are the rebuilding of blitzed areas (all reconstruction must conform to postwar as well as immediate needs); or food, where the war is creating a national nutrition policy that will continue and be expanded in the days after the war.

There is lively public discussion in Britain of the postwar period. Books, pamphlets and periodical articles on Town Planning, the Social Services and Monetary Policy are avidly devoured. Seemingly, it helps the British people to bear up, under their sacrificial burdens, if they can look forward to better homes, more modern cities, an improved diet, a broader distribution of the benefits of good living.

In academic and unofficial plans for the "New Jerusalem" that Britain hopes to be after the war there is some fanciful dreaming. But the visitor is struck by the practical character of much of the planning. The scientist, the engineer, the technician — all these are encouraged to think and advise. It was significant that in the midst of the worst blitz, Britain called a conference of its scientific men to discuss the world after the war.

Medical researchers are at the drafting boards where tracings are being sketched for a new national medical and hospital plan.

Famous biochemists are called in as advisers on nutrition.

Architects and landscape authorities are drawing the plans for rebuilding Britain's bombed cities and homes.

Bring Minds Together

Even in the less scientific, more controversial realm of economic policy, Britain seeks to bring academic and "practical" minds together. A hard-headed merchant banker, Lord Catto, has resigned from the "Court" of the Bank of England to become financial adviser to the Treasury, while that heretic professor, John Maynard Keynes, has taken his place among the Bank's governors.

If there is a pattern to Britain's efforts at creation of a better society it is a pattern borrowed from no other single country. The resemblance to Sweden's "Middle Way" is marked. But the new social structure that is emerging in Britain is a copy of no existing pattern; it owes some debt to all.

The words "Capitalism" and "Communism" seldom appear in discussion. Britain is seeking to define a world in which individual initiative will continue to play an important role but it will hardly be a society in which the "ruggedness" of individualism will be measurable in terms of financial success.

BEFORE THE FIRE
WREN'S PLAN FOR LONDON
THE OPPORTUNITY
THE PLAN

PLAN THE NEW BRITAIN
FLOWSOFTRAFFIC
FLATS
HOUSES
CIVIC BUILDINGS
FIXED POINTS

The signal failure of the Nazi machine to crack civilian morale added a new word, "to coventrize" to the language and a new spirit and hope to Britain. As the bombers screamed away they left many historic buildings, many historic slum areas in ruins. Both provide challenge and opportunity to Britain's builders and planners. Major factor in the reconstruction will be the youths already learning the complex art of modern city planning.

Britons generally accept the thesis that "there will be no rich men left." Yet there is much doubt in their minds as to whether the elimination of business leaders and the substitution for them of powerful bureaucrats will improve the efficiency of the nation.

As one distinguished Briton put it to me, "The workingmen of Britain feel that their jobs will be more secure if private industry controls the manufacture of the goods which Britain must export in the postwar world than if the State takes over all the factories and leaves it to civil servants to be our supersalesmen."

There is fear in Britain that "Bolshevism" may sweep Europe. But the handful of extremists of the "Left" who see Communism as the answer to Britain's problems is even smaller than the group of extremists of the "Right" who fear "Bureaucracy" as the worst of all evils.

The responsibility for postwar planning in Britain has not yet been finally fixed in the Cabinet. Arthur Greenwood had the job until recently but he was dropped out in the Cabinet reshuffle. Lord Reith, as Minister of Works and Buildings, had a big responsibility but he too was dropped, making way for Lord Portal, who is known as Minister of Works and Planning. These changes provided evidence of public dissatisfaction with government measures of reconstruction.

As this is written, the Labor Party's programme for postwar planning is awaited with some interest and is likely to influence the government's own decisions.

As an example of the type of British war policy that is geared to postwar needs there is a striking example in the way in which the rebuilding of blitzed areas is being carried out.

Hitler's bombers have wrought havoc in many cities of England. The "show places" of almost total destruction are Coventry and Dover; the St. Paul's churchyard, Ludgate Hill, Cannon Street and Cheapside district of Central London; the "East End"; Clydebank, etc. But there is scarcely a spot in Britain where German bombs have not left their scars. In some cities and towns that this writer visited the damage has been shockingly widespread. The port towns of Southampton, Liverpool, Hull, Plymouth and others have been intensely blitzed.

One of the first problems created in a blitz is that of evacuation, of finding new homes for people whose houses have been destroyed. Extensive as evacuation schemes have been, there are still many homeless people living in tube stations and other temporary shelters. As evacuation proceeds, the work of restoration goes on. Gas and water mains, sewers, light cables, pavements, tram lines, sidewalks have to be repaired.

As the "first-aid" squads of building workers pour in, they go to work on houses. Hurried surveys are made of the damage done. If the surveys report that a house, shop or area is capable of being patched up with reasonable cost and speed, then it is put into good shape at once. Britain has repaired as many as 72,000 houses in a single week, drawing upon mobile squads of workers and stored-up supplies of bricks and other building materials.

But where damage is more extensive, then no repairs may be carried out except as part of a comprehensive plan for the replanning of the whole area.

Britain recognizes that many of its towns and cities have "grow'd up," Topsy-like, upon the foundations of medieval hamlets. The streets are tortuous; traffic circulation is impeded; the cities are unable to breathe. As an incidental by-product of Hitler's campaign of murder, the British people are determined to salvage an opportunity to replan the physical shape of the more crowded communities of the land.

Plans Already Drafted

Tentative plans for the scientific laying out of a new Coventry, a new Liverpool and a new Birmingham have been drafted. Town planners and architects are giving thought to the future of the east end and the "City" of London. The new Britain is to be a modern Britain with wide arterial streets, recreation centres, well-placed schools and as few traffic bottlenecks as possible.

To ensure that private zeal in rebuilding blitzed buildings should not interfere with broad public planning, an important constructive principle has been introduced. Whenever it is decided by the State and the local authorities that an area should be replanned then no blitzed structure may be rebuilt until it has been established that its reconstruction will conform to a new master plan for the area. Even in the case of partially destroyed buildings, the authorities have a powerful weapon to enforce their sanctions, in their power to withhold compensation under the state insurance scheme. (This scheme spreads the cost of destruction over the nation as a whole rather than letting it rest merely on the unhappy owners whose street numbers happened to be on the Luftwaffe's bombs.)

Britain's "controls" for its postwar reconstruction have not been finally set up but the broad pattern is beginning to emerge. There will be some sort of Central Planning Authority, which will establish national principles. These in turn will be applied by regional bodies and municipal authorities. "Planning," said Lord Reith, "must be a partnership between central and local authorities."

As blitzed areas are redeveloped, an effort will be made to decentralize and disperse industry and industrial population; to create garden cities, satellite towns (relieving congestion in large cities), trading estates, etc.

Plan 50 Years Ahead

The draft plan for the reconstruction of Coventry provides for planning 50 years ahead. Beginning with the central area, the redevelopment will be carried out gradually until the whole of that badly blitzed city has been rebuilt.

"It would be folly," says the city architect's report, "to allow the new city to be rebuilt as before. Now is the opportunity, an opportunity which may never recur, to build a city designed for the future health, amenity and convenience of citizens. The city is being made a test case . . ."

Coventry's famous cathedral with its spire is to be the focal point of the new city. Near by, shopping centres, a civic centre and a cultural centre will be nested.

Factories in the centre of the city will be removed to the outer ring. Housing will be provided in taller buildings to allow more space for recreation grounds. There will be "neighborhood units" of such houses and flats, each group complete with nursery school, school, community centre, clinic and essential shops.

A complete scheme has been visualized and the immediate rebuilding after the war is to be made to fit into a unified whole. As existing buildings become defunct they will be replaced until the whole city has been rebuilt as "a planned city worthy of the new generation."

Birmingham, too, was badly battered in air raids. Here the Bournville Village Trust had, before the war, begun a survey of how

(Continued on page 12)

What It Costs to Hold Down Prices

By **KENNETH R. WILSON**

Are you "in the money"?

Can you import merchandise from abroad and be paid by the government whatever is necessary to enable you to sell within the price ceiling?

Can you manufacture clothespins, mincemeat or salad dressing and be paid an "accountable advance" for the same purpose?

If so, you are part of one of Canada's toughest wartime problems — price ceiling subsidies. It's a problem which is almost the crux of price control for without subsidies the ceiling could very easily collapse. It's a problem which is tough and hazardous because every dollar that is paid out raises knotty questions of equity and essentiality.

Questions for Ilsley

So far, no one in authority at Ottawa has given a report on price ceiling subsidies. Mr. Ilsley has promised to do so when parliament reassembles next week.

Under its Magna Carta, P.C. 8528, the Wartime Prices and Trade Board is authorized to recommend:

> ". . . payment of subsidies in the national interest for the purpose of restraining increases in the cost of living or of offsetting uncontrollable increases in costs."

Subsequently the Board created a separate company (Commodity Prices Stabilization Corporation) to supervise and handle all subsidy payments authorized by the Board. President of the Corporation is Hector B. McKinnon, top ranking civil servant and former chairman of the prices board. He is surrounded by a competent directorate and organization whose job is largely (though not entirely) to implement policy as dictated by Donald Gordon and the Prices Board, of which Mr. McKinnon is a member.

Originally these subsidies were intended to stabilize the cost of imported goods. Today, the subsidy policy has been extended to a wide and growing list of domestic goods.

This is because an increasing number of groups and industries are finding it impossible to operate within the price ceiling without benefits of public aid. Other subsidies are necessary to maintain adequate supplies of essential goods.

Just last week the government announced a new portentous policy for subsidizing domestic production of a wide range of grocery products

This new subsidy programme includes everything from clothespins to pork and beans. The 50 or 60 items affected represent grocery lines with a factory output of between $150 and $175 millions in 1941. Retail selling value would be possibly a third to 40% greater than this.

What the Board has said to the manufacturers of these goods is this:

> Instead of charging your customers the prices you established in the base period, September-October, you must now return to the maximum prices of June, 1941. To compensate, the Board will subsidize you for the difference between your October and June levels.

A simple example is packaged rolled oats. In the base period, one typical manufacturer was charging customers $2.35 for a carton of 12 48-ounce packages. He must now charge only $2.05 and apply to the government for relief to the extent of 30 cents on each carton. The $2.05 price will permit the retailer to continue to sell rolled oats to the housewife at the basic ceiling price.

But there is a big nigger in this subsidy woodpile.

Instead of an outright payment of 30 cents per carton, these grocery subsidies are to be considered only as "accountable advances" pending settlement of the manufacturer's income tax return. The "advance" only becomes a firm subsidy if the manufacturer makes no more than a "standard" profit on his entire business in the year in which he applies for relief.

Not Subsidizing Profits

Thus, the subsidy will be reduced to the extent that net income after taxes exceeds the corresponding amount of net income received in what is described for income tax purposes as the "standard" period (usually 1936-39).

This segment of price ceiling subsidies is important not only because it is novel and revolutionary, but because it demonstrates a fundamental reason for subsidizing domestic goods rather than permitting the price ceiling to be punctured. The reason very simply is that subsidies are considered at Ottawa a cheap form of price ceiling insurance.

Because of the new tax string attached to the payment of grocery subsidies, no one can say for at least another year just what these subsidies will cost. But preliminary computations made in the early stages of discussion indicated that on a somewhat larger list of grocery items an outright subsidy might cost the government in the neighborhood of $15 millions annually.

Subsidies Are Cheaper

If the same amount of "squeeze" were to be passed on to the consumer in the form of higher prices, the increased cost to housewives and consumers would pyramid to upward of $25 millions. This is because an increased retail markup would include sales tax, etc., whereas subsidies are paid on the lower manufacturer's cost.

But a lifting of the ceiling would have other indirect results apart from increasing housewives' grocery bills by $25 millions a year. Because these items form an important part in day-to-day living costs, an increase in retail prices would raise the cost-of-living index by possibly as much as a full point. This would mean a further cost-of-living bonus of 25c. a week for possibly 2.5 to 3 million wage-earners — adding perhaps another $30 to $40 millions to the wage-price spiral.

Thus, the basic psychological argument that Canada cannot afford at this stage to let the price ceiling be punctured is supported by impressive statistical arguments that subsidies of this type, even though costly in terms of prewar concepts, are cheap compared with the alternative of even a "controlled" price-wage upswing.

A glance at the 50 or more grocery items now deemed eligible for subsidy shows little evidence of choice as between "essential" and "non-essential" commodities.

In total war, it could never logically be argued that clothespins, shoe polish, salad dressing, mincemeat, and a score or more of similar items now included as eligible for subsidy are "essentials."

Import subsidies are payable on any goods not declared "ineligible"; not exempt from the ceiling; or not imported for war contracts.

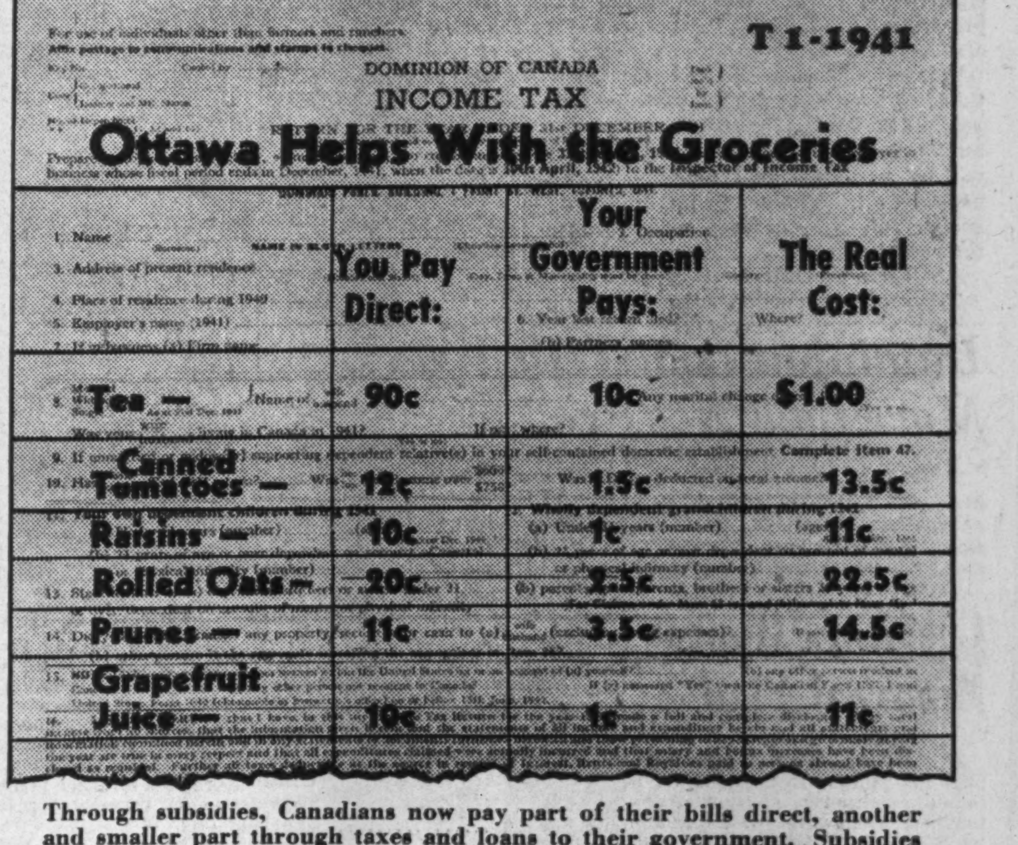
A merchant cannot be subsidized if prices of imported books, or fresh vegetables, are out of line with prices in Canada during the base period, because both these items are exempt from the domestic price ceiling. Again, a wide range of products—electric appliances, clothing, furniture, musical instruments, magazines, etc., have been declared by the Board as ineligible for subsidy. (The Saturday Evening Post now sells for 10 cents in the United States. But if it sells in Canada at all it must continue to sell at 7 cents).

So far, only a few hundred applications for import subsidy have been received by the Board, on possibly 75 individual commodities. Total subsidies paid to date amount to about $2 millions, half of which has been paid to milk producers and distributors.

Few if any items which Canada imports in quantity from Great Britain have been declared ineligible for subsidy. This is because of definite board and government policy aimed to encourage shipment of British goods to Canada wherever merchandise and shipping to carry it are available. Chinaware is an important U.K. item now eligible for subsidy. Next season's imports of Welsh anthracite will be subsidized to the extent necessary.

Canada Buys in Bulk

Most important trend in import subsidies is the new technique for handling and subsidizing bulk purchases of imports. First bulk purchase announced by the Stabilization Corporation was raisins. Arrangements were made with the Australian Government for Canada to take its entire season's requirements at an agreed price. Harrisons & Crosfield Ltd., designated the corporation's import agent, will handle the deal, distribute and allocate the available supplies through the regular channels of trade and bill the corporation for the trading loss involved in selling raisins at "ceiling" prices.



T 1-1941
DOMINION OF CANADA
INCOME TAX

Ottawa Helps With the Groceries

	You Pay Direct:	Your Government Pays:	The Real Cost:
Tea —	90c	10c	$1.00
Canned Tomatoes —	12c	1.5c	13.5c
Raisins —	10c	1c	11c
Rolled Oats —	20c	2.5c	22.5c
Prunes —	11c	3.5c	14.5c
Grapefruit Juice —	10c	1c	11c

Through subsidies, Canadians now pay part of their bills direct, another and smaller part through taxes and loans to their government. Subsidies are not paid direct to your grocer but to the importer or producer in the form of direct cash payment or the remission of excise taxes and duties. Either method ends by increasing your income taxes. Above figures show how some of the actual or expected subsidies affect the daily grocery bill.

There will be no subsidy paid directly to the trade.

This method of handling the subsidy problem is certain to be extended in the near future to a number of import items.

It is also considered important because of its value in preventing unnecessary competition among Canadian importers at the expense of the Canadian taxpayer.

A subsidy "formula" for various types of imports is being established. Thus, the Prices Stabilization Corporation has placed certain limits on the amount and nature of the subsidy which can be paid on certain commodities. In the case of prunes and grapefruit juice the subsidy is limited to so much a case or a pound (3½ cents a pound for prunes). In the case of rice, only unhulled rice is eligible, and subsidies are payable only on a certain limited maximum import during a fixed period.

The Board has ruled that whenever a subsidy "formula" (as in the case of prunes) reduces the laid down cost to wholesalers and retailers to a point below a price needed to permit them to sell within their ceiling, the saving which results from this subsidy must be passed on to the consumer.

First and most important domestic commodities declared eligible for subsidy were milk and leather footwear.

The milk subsidy was originally introduced to avert a serious threatened shortage of supply. It was payable on a temporary basis both for fluid milk and milk used in

(Continued on page 12)

Out of the Nazi Blitz—A Brighter Britain

(Continued from page 11)

Birmingham and environs could be replanned. The plan has been published in a volume, "When We Build Again." The principles of the plan are that, "while attempting to achieve the ideal of beauty, health and convenience, we must relate housing to industry and home life, since it is by the toil of their hands that men live and by the strength of the family that the race will continue. In other words, the city must be viewed as a single organism designed for living and working."

In the Bournville plan for Birmingham several interruptingly new ideas are offered, such as:

. . . that a "green belt" be established around the city to prevent its further growth;

. . . that "satellite cities" be developed in the nearby districts to take up further population growth;

. . . that when old factories and workers homes are rebuilt they be gathered together in groups, both factories and houses being higher so as to provide more open spaces for recreation, air and light.

Throughout the whole of Britain an effort is being made to prevent false conceptions of "urgency" from rushing the country into rebuilding of badly located factories. "It was urgency of decision," says Sir Montague Barlow, a well-known authority on planning, "that was Sir Christopher Wren's undoing; for after the Great Fire, the good citizens of London naturally clamored for the rebuilding each of his own house on the old site. Londoners in the 17th Century could not wait for debates on issues apparently so remote as the distant prospect of St. Paul's or the general health of London.

This time Britain intends to think of even the "distant prospect" of St. Paul's. Premature rebuilding of devastated areas will not be permitted and national planning considerations will, it is hoped, rule all decisions about future development.

Ferro-concrete Best

Types of construction are certain to be modified as a result of blitz experiences. Surveys have shown that modern, ferro-concrete structures have withstood the effects of concussion and incendiary bombs much better than older and ordinary masonry structures. The strength of post-Great War buildings is a particularly marked feature of the "City" where the new head office buildings of the great banks stand out almost as pylons in a field of rubble. Other new buildings that have shown an ability to stand up under the bombing are the equally modern Shell-Mex, Bush and Adelphi buildings.

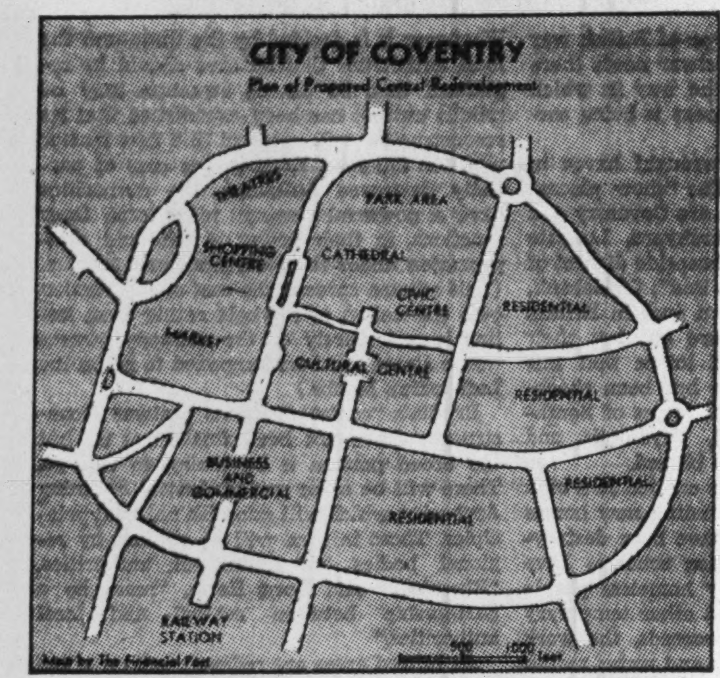
In respect to "compensation" for war damage the broad principle accepted in Britain is that property damage, resulting from bombing and other war risks, should not rest solely upon the unhappy individuals whose properties get hit while other more fortunate property owners escape any cost.

In general, the intention is that half the cost of compensation shall be met by general levies on all property owners and the other half by the State out of general taxation.

In practice, it works out a little differently, because in framing the necessary legislation the government provided that the first £200 million would be met by the property owners, the next £200 million by the State and the balance would be divided 50-50. As property damage to date is estimated to be not more than £150-170 million the State actually has not been called upon to make any contribution to general property compensation although, of course, it has had to bear the cost of burden of damage to public buildings and facilities and has shared half the cost of reparation of public utilities.

This figure of about £170 million property damage compares with total value of "bricks and mortar" in Britain estimated at £6,000 million. Thus, while losses in some areas have approached close to the 100% mark, the property damage in the country as a whole has not approached 3%.

The New Plan for Coventry



Here is the draft plan for rebuilding of Coventry. Note that the new city is to be built in groups distinguished by function. Shops would be concentrated in one area and factories in another; theatres in one and universities, art galleries and conservatories in another. Said the Coventry City Architect: "It would be folly to allow the new city to be rebuilt as before."

Dominion Coal Tells Why More Coal Not Produced

From Our Own Correspondent

MONTREAL.—In a message appearing in paid space in Nova Scotia newspapers, Dominion Coal Co. says: "Any individual or group of men, who by failure to report for work, cause a loss of 61,000 tons of coal, as was the case in March, are not pulling their weight in Canada's war effort."

Despite the vital and urgent need for all the coal that can be produced, these mines lost 61,795 tons of production in March.

Having in mind that the company can produce 18,000 tons of coal a day, the company lists actual production for the five-day period ended March 27:

	Gross Tons
Monday 23	13,916
Tuesday 24	14,450
Wednesday 25	12,663
Thursday 26	14,743
Friday 27	12,461

Causes of Decline

Causes of the loss of tonnage in March are given by the company as follows:

	Gross Tons
Absenteeism	26,411
Men off or mines idle on day of Glace Bay elections	4,430
Mines knocked off due to fatal accidents	3,925
Mines idle on day of funerals of persons other than fatal accident victims	1,640
Contract men leaving their work before the end of their shift	2,329
Attending hockey games	6,390
Viewing military train	1,760
Idle over disputes	5,335
Total loss	61,795

Creditors Oppose Montreal Plan

From Our Own Correspondent

MONTREAL.—City of Montreal's plan for putting its finances on a sound basis has run into further difficulties. The bondholders committee is opposed to the city's proposal for the control of finances.

The question of how the city's finances are to be controlled in the interests of general economy and of the city's creditors, has for some time been the main obstacle in the way of acceptance by most of the creditors, of a proposal for refinancing the debt at an overall rate of 4%, giving the city a saving, both in annual interest charges and in sinking fund liability.

Bondholders had suggested a committee, consisting of a budget director, appointed by them, the Director of Departments. The city made a counter move that the control should be exercised by the budget director alone, subject to over-rule by a three fifths vote of the city council.

The creditors are understood to have indicated to L. E. Potvin, Chairman of the Quebec Municipal Committee, that they do not care for this counter proposal and that, unless the city can think up something else more suitable, they must come back to their first proposal.

What It Costs to Hold Down Prices

(Continued from page 11)

the manufacture of concentrated milk products. (The original time limit of April 1 has been extended till May 1). The subsidy was to be paid pending an entire recasting of the milk pricing structure throughout Canada. Once this new price structure is worked out it is hoped to eliminate the subsidy largely if not entirely. Cost of the subsidy in the three or four months during which it will be operative is said to be something over $2 millions.

The leather footwear subsidy was also introduced as temporary. When the shoe industry came to roll back a 15% "squeeze" it was found that manufacturers, wholesalers and retailers could only absorb 8% between them, pending a country-wide simplification and standardization of product-merchandising methods, etc. Meantime, the government undertook to absorb the remaining 7% of the squeeze.

If coal prices rise in the United States this year, an important new subsidy area will open up—possibly to be handled on a "bulk purchase" basis. To bring in coal by rail will mean higher transportation costs amounting possibly to 35 cents a ton or $2 to $2.5 millions on next year's requirements.

A small subsidy is now being paid under a pre-ceiling arrangement with Alberta coal operators. There is also a domestic subsidy to tanners of glove and garment leather, and a guaranteed price to growers of fruit and vegetables for canning, payable on their 1942 surplus.

Other subsidies are being paid within the price ceiling structure, but not by the Stabilization Corporation. Most of these are for agricultural products, to ensure adequate supplies of hogs, cheese, etc. The payment by Parliament of a 90c. minimum price for wheat will require an eventual subsidy to Canadian millers to enable them to supply Canadian bakers at a price which will permit bread to be sold within the "ceiling." This subsidy problem will not arise until the new crop year begins on Aug. 1, 1942. The amount involved is possibly $6-$10 millions.

When Mr. Ilsley discusses the question of price ceiling subsidies in Parliament within the next few days, he will probably stress:

(a) The impossibility of estimating with any degree of accuracy the direct cost to taxpayers of the general subsidy policy. Specific estimated costs on a few isolated items will probably be disclosed. There is an understanding at present that the amount of subsidy paid to individual firms is not to be published.

(b) The relatively small amounts which have been paid out already — amounts which are small in many cases because of the delay in preparing forms, difficulty of obtaining proper information, etc.

(c) The economy of a subsidy policy as compared with the known or estimated costs of permitting any general puncturing of the price ceiling and thus stimulating a new wage-price inflationary spiral.

(d) The importance of U. S. wage-price legislation on the success and ultimate cost of our subsidy policy.

Company Reports

B. A. Oil

British American Oil Co. reports sales of all products appreciably higher in 1941 than in 1940, according to A. L. Ellsworth, president. Profit from Canadian operations, before taxes, interest, depreciation and a special wartime inventory reserve, set an all-time record at $7.9 millions. Higher taxes and special appropriations, brought net profit from Canadian operations down to $1.05 a share compared with $1.11 in 1940.

Net earnings of subsidiaries in the United States, British American Oil Producing Co. and Toronto Pipe Line Co., totalled $1.4 million compared with $1.1 million for 1940. This is not included in the parent company's statement. During the year, U. S. subsidiaries repaid $592,360 against parent company advances, reducing this indebtedness to $936,364.

Consol. Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Can. Oper. profit*	7,904,569	6,813,855
Less: Debenture int.	215,312	232,709
Income tax	2,637,966	1,735,738
Depreciation	1,890,097	1,760,416
Inventory reserve	250,000	......
Net profit in Canada	2,911,193	3,084,992
Less: Dividends	2,772,642	2,772,642
Year's surplus	138,551	312,350
Add: Prev. surplus	13,400,413	13,088,062
Surplus forward	13,538,964	13,400,412
*Prior deductions include:		
Directors' fees	13,750	14,000
Legal fees	7,580	8,056
Executive remun.	148,500	145,500
Earned per Share:	$1.05	$1.11
Paid	1.00	1.00
Working Capital	$	$
Current assets	17,479,071	16,350,086
Current liabilities	5,729,018	4,207,328
Working capital	11,750,053	12,142,758
Balance Sheet Changes	$	$
Cash	3,583,484	1,831,343
Inventories	9,919,433	10,982,278
Advs. to U. S. subsids.	936,364	1,438,725
Invest. other cos.	845,059	682,083
Plant & equip.	35,142,465	33,956,002
Less: Depreciation	16,538,889	15,404,223
Payables, incl. gas tax	2,896,838	1,855,953
Funded debt	7,000,000	7,750,000

A. J. Freiman

A. J. Freiman, Ltd., owners and operators of Ottawa's largest department store with branches at Pembroke and Renfrew, reports net profits for 1941 of $12.14 a share on its 6% preferred against $7.48 in 1940. Full 6% dividends were paid last year, but none in 1940. Arrears at the end of 1941 were $25.50 a share.

Auditors point out that a mortgage for $454,100, due June 1, 1944, provides for payment in U. S. currency but all payments to date have been accepted in Canadian currency on a dollar for dollar basis.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Gross profit	1,264,342	1,063,598
Add: Other income	81,508	56,476
Total oper. profit	1,345,850	1,120,074
Less: Sell., adm., gen.	1,002,128	887,112
Exec. salaries	43,000	39,500
Mortgage int.	28,012	29,692
Other interest	13,109	21,111
Legal fees	335	462
Life insurance	......	738
Depreciation	60,017	38,073
Lease amortiz.	2,778	2,778
Income & E. P. taxes	90,000	35,000
Net profit	106,472	65,608
Less: Pref. divds.	52,626	......
Surplus for year	53,846	65,608
Add: Prev. surplus	543,369	477,761
Earned surplus fwd.	597,215	543,369
Earned per Share:		
Preferred	$12.14	$7.48
Paid	6.00	nil
Common	0.63	0.15
No dividends paid.		
Working Capital	$	$
Current assets	1,691,307	1,637,488
Current liabilities	690,326	696,112
Working capital	1,000,981	941,376
Balance Sheet Changes	$	$
Cash and bonds	55,751	30,153
Accts. receivable	509,434	758,995
Inventories	797,741	543,579
Bank loan	164,000	215,000
Mtges. payable	469,100	471,350

Enamel & Heating

Enamel & Heating Products Ltd. reports that in 1941 all three plants operated at capacity. As a result of increased Government business this year and notwithstanding reduction in regular domestic output to 75% of the 1940 total, N. A. Hesler reports all three plants will continue at capacity for the balance of 1942.

Revenues last year were the best in some years, amounting to $122,574 as against $59,263 the year before. Earnings on the common stock totalled 91 cents a share, compared with 12 cents a share in 1940. A deficit in working capital position was converted into a favorable balance.

Income and Deficit Account
Years Ended Dec. 31

	1941	1940
	$	$
Total revenue	122,574	57,263
Less: Tax provision	22,083	1,200
Depreciation	35,536	54,398
Exec. salaries	17,800	
Legal fees	130	
Net profit	26,865	3,665
Previous deficit	318,043	316,991
Add: Adjustment	......	4,717
Deficit forward	291,178	318,043
Earned on common	$0.91	$0.12
Working Capital	$	$
Current assets	557,250	400,941
Current liabilities	534,394	436,048
Working capital	12,852	*35,107
*Excess of liabilities.		
Balance Sheet Changes	$	$
Accts. receivable	140,404	132,492
Inventories	415,720	266,911
Bank advances	246,831	302,169
Accts. payable	245,993	121,518

Ford of Canada

Net profit of Ford Motor Co. of Canada in 1941 was higher than in the previous year, due primarily to receipt of dividends from overseas subsidiaries last year where none were paid in 1940. On the combined A and B shares, the 1941 net was equivalent to $1.97 a share against $1.55 a share in 1940.

W. R. Campbell, president, points out that the 1940 accounts have been adjusted to give effect to changes resulting from alterations in sales contracts covering vehicles sold to the United Kingdom government. Particulars of these adjustments are given below.

The 1941 depreciation of $2.7 millions is $1.4 million higher than for 1940. The latest year's figures include $1.5 million as accelerated depreciation on assets used for war purposes as compared with $106,526 in the same category for 1940. Balance sheet shows an increase in total assets of $7.3 millions, chiefly attributable to gains in accounts receivable, inventories and fixed assets with a decline of $1.9 million in cash. Increased volume of business and greater quantities of finished goods awaiting shipment, units not yet completed owing to procurement difficulties and additional materials for an enlarged production schedule in 1942 account for the large gains in accounts receivable and inventories.

Investment of $418,847 has been written off holdings of shares in Ford Motor Co. of Malaya, reducing balance sheet value of this asset to $1.

Profits of overseas subsidiaries in 1941 were $2.4 millions compared with $2.9 millions in 1940. The latter amount included $187,558 earned by Ford Motor Co. of Malaya while 1941 profits include no earnings from that source. Profits of the Malayan company to Nov. 30, 1941, date of last financial statement, were were reported as $480,346.

Combined earned surplus of overseas subsidiaries at Dec. 31, 1941, was $7.3 millions, an increase during the year of $942,688. The 1940 accounts included $369,501 surplus of the Malayan company, this is not included in 1941. Subsidiary company reserves, excluding $65,000 general reserves of the Malayan company, were $585,516 at Dec. 31 last.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Can. oper. profit‡	4,459,030	4,070,300
Add: Subsid. divds.	877,215	......
Bond interest	33,459	52,819
Profit on assets	19,899	*31,071
Net earnings	5,389,604	4,092,048
Less Inc. & E. P. taxes:		
Canadian	2,060,000	1,506,113
Other	50,000	14,905
Net profit	3,279,604	2,571,030
Less: Dividends	1,658,960	1,658,960
Surplus for year	1,620,644	912,070
Add: Prev. surplus	23,913,069	23,887,717
Less: Gen. res. trans.	500,000	900,000
Ford Malaya w/d	418,847	......
Adjust. affect., 1940	†13,282	......
Earned surplus fwd.	24,601,584	23,913,069
*Loss.		
†Contract price vehicles sold U. K. reduced		$ 357,443
Prov. for spec. deprec.		85,691
		443,134
Less: Inc. & E. P. tax on above		429,852
Adjustment shown		13,282
‡After deducting:		
Depreciation	2,680,279	1,265,197
Exec. remun.	197,125	226,250
Legal fees	17,775	17,988
Directors' fees	3,000	3,000
Earned on A & B	$1.97	$1.55
Paid	1.00	1.00
Working Capital	$	$
Current assets	33,898,649	28,195,555
Current liabilities	16,525,687	12,470,743
Working capital	17,372,962	15,724,812
Balance Sheet Changes	$	$
Cash	715,396	2,600,312
Accts. rec., trade	7,172,012	5,729,488
Accts. rec., subsids.	7,512,575	5,477,280
Inventories	27,238,529	12,366,939
Advs. on govt. contrs.	10,485,284	......
Shs. of subsids.	11,204,886	11,623,734
Fixed assets	39,521,043	37,420,188
Less: Depreciation	25,066,696	22,919,727
General reserve	5,500,000	5,000,000
Accts. payable	13,893,783	9,710,845

Hiram Walker

Hiram Walker - Gooderham & Worts Ltd. reports net profits for the three months ended Feb. 28, 1942, equivalent to $2.08 a share on its common stock after allowing for preferred dividends, against $1.76 a share for the corresponding quarter a year ago.

In the six months ended Feb. 28 last, the company earned $4.11 a share on its common compared with $3.77 a share in the 1941 period.

Consol. Profit and Loss Account
Three Months Ended Feb. 28

	1942	1941
	$	$
Oper. profit	3,419,269	2,181,024
Add: Other income	173,668	174,266
Net earnings	3,592,937	2,355,290
Less: Depreciation	236,213	201,269
Debenture int.	192,439	128,787
Bank interest	27,424	21,028
Income & E. P. taxes	1,489,511	585,577
Net profit	1,647,350	1,418,629
Six Months Ended Feb. 28	1942	1941
	$	$
Oper. profit	7,402,922	5,193,243
Add: Other income	259,202	213,658
Net earnings	7,662,124	5,406,901
Less: Depreciation	479,365	407,519
Debenture int.	472,542	258,305
Bank interest	72,700	30,092
Income & E. P. taxes	3,376,559	1,697,036
Net profit	3,260,958	3,013,949

Northwestern Utilities

Steady growth of Northwestern Utilities, Ltd., subsidiary of Dominion Gas & Electric Co., in the last eight years is expected to continue in 1942, according to H. R. Milner, president. Number of customers and gas sales show considerable increases, although gross revenues did not rise proportionately due to rate cuts in Sept., 1940, which were felt in the early months of 1941 before offset by increased business.

During the year the Edmonton distribution system was enlarged, and 7.16 miles added to the duplicate pipe lines from the Viking field to Edmonton. 12.72 miles remain to be built before completion of the second line. 5 wells were drilled and started producing in the Kinsella field, which makes a total of 27 producing wells in that and the Viking fields owned or controlled by the company. Altogether they have a daily open flow of 208,000 m.c.f. which is substantially more than immediate requirements.

Capital expenditures for additions and extensions for the past 3 years totalled $1.1 million. A bank loan of $150,000 was paid off in 1941, and $100,000 first mortgage serial bonds were redeemed. On the other hand, the company realized $785,000 from the sale of $150,000 principal amount of series "B" bonds, 1,500 preferred and 20,000 common shares.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Gas sales	1,233,669	1,217,405
Less: Disc. & allow.	56,953	55,173
	1,176,716	1,162,232
Less: Cost of prod. etc.	480,200	440,148
Directors' fees	410	530
Exec. salaries	21,801	20,517
Legal fees	6,727	5,942
Res. for bad debts	1,600	2,800
Taxes: Municipal	47,967	47,174
Edmonton franchise	61,545	56,014
Provincial corp.	18,259	27,506
Net oper. income	538,207	561,601
Add: Int. & misc. inc.	6,507	6,621
Net earnings	544,714	568,222
Less: Amort. reserve	†146,285	136,870
Bond interest	105,896	105,458
Other interest	6,829	4,329
Bond disc. & exps. w/o	12,060	12,235
W/o leases, wells, prop. rls. & intang.	10,000	10,000
Prov. for inc. taxes (est.)	96,508	82,480
Net profit	167,136	216,850
Less appropriations:		
6% pref. dividends	60,756	60,756
Common dividends	118,000	144,000
Surplus for year	*11,619	12,094
Add: Prev. surplus	523,828	512,048
Prior year adjust.	......	314
Less: Comm. on sale shs.	7,500	......
Bal. carried forward	504,709	523,828

*Loss or deficit.

†In addition, depreciation provision aggregating $10,842 included in operating account.

	1941	1940
Times All Interest Earned:		
After amortization	3.53	3.93
Earns. Per Share:		
6% Pref.: Earned	$14.38	$21.42
Paid	6.00	6.00
Working Capital		
Current assets	459,976	322,186
Current liabilities	361,178	325,216
Working capital†	98,798	*3,030

*Excess of current liabilities over current assets.

†Net current assets, as defined in the trust deed securing the first mortgage A bonds, amounted to $292,294 at Dec. 31, 1941; $170,699 at Dec. 31, 1940.

Quinte Milk

Quinte Milk Products during 1941, after careful investigation in the U. S., put into successful operation the only continuous-process Casein machine of its type in Canada. A. L. A. Richardson, president, states that in addition to producing a high quality Casein this addition will result in an increase in recovery and a saving in labor.

Mr. Richardson adds that while the year ahead presents difficult operating conditions, company directors feel justified in looking forward to the future with reasonable confidence.

During the year there was an opportunity to invest some of the subsidiary's surplus funds in Quinte Milk shares and this was done to the extent of 1,042 shares.

Consol. Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Net earnings	53,484	31,667
Less: Depreciation	12,893	11,210
Taxes	19,665	6,700
Net profit	20,925	13,757
Less: Dividends	10,625	7,850
Surplus for year	10,300	5,907
Add: Prev. surplus	26,712	20,805
Prof. sale equipment	727	......
Surplus forward	37,739	26,712
Earned per Share	$0.50	$0.32
Paid	0.25	0.20
Shs. o/s	41,458	42,500
Working Capital	1941	1940
	$	$
Current assets	86,023	60,364
Current liabilities	40,740	16,305
Working capital	45,283	44,059

English Electric

Volume of sales in 1941 for English Electric Co. was highest in its history, being 38½% over 1940 and unfilled orders at the end of 1941 were appreciably higher than a year earlier, according to D. H. McDougall, president.

After setting up adequate reserves for doubtful accounts and inventory losses, as well as higher depreciation, net profits last year were equivalent to $2.51 a share against $3.04 a share for 1940.

The company is supplying essential electrical apparatus for war industry. An extension is being made to its plant which will permit actual production of munitions for which contracts are now held. Advances from Department of Munitions and Supply to finance this extension are to be secured by mortgage on the new plant.

Consol. Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Operating profit	508,982	360,827
Add: Invest. income	12,576	14,702
Total earnings	521,558	375,529
Less: Legal fees	11,604	340
Directors' remun.	1,353	2,160
Executive remun.	32,935	31,915
Equip. retired	3,011	11,415
Depreciation	285,258	73,000
Income & E. P. tax.	80,000	125,000
Net profit	107,197	129,699
Less: Class A divds.	106,490	106,490
Surplus for year	707	23,209
Add: Prev. surplus	156,707	133,498
Earned surplus fwd.	157,414	156,707
Earned on Class A	$2.51	$3.04
Paid	2.50	2.50
Working Capital	$	$
Current assets	1,694,185	1,364,492
Current liabilities	417,788	311,240
Working capital	1,276,397	1,053,252
Balance Sheet Changes	$	$
Cash	77,800	142,051
Investments*	268,991	356,691
*Market value	208,212	296,813
Inventories	1,204,332	639,778
1941 plant extension	792,965	......
M. & S. advances	736,700	......

St. Maurice Power

St. Maurice Power Corp., jointly owned by Shawinigan Water & Power Co. and Brown Corp., reports capacity operations during 1941 and that every kilowatt hour of output was sold under advantageous terms. This is the first full year of operation of their 178,000 h.p., four unit power plant at La Tuque on the upper St. Maurice River.

Income and Surplus Account
Year Ended Dec. 31

	1941
	$
Gross Income	1,325,121
Less: Oper. expenses	383,910
Net revenue	941,211
Less: 1st mort. int.	450,000
2nd mort. int.	83,333
Other interest	104,340
Depreciation	289,714
Tax reserve	6,222
Surplus	7,602

Noorduyn Aviation

Noorduyn Aviation reports sharp expansion in net revenues, income for 1941 totalling $792,999 as against $20,018. After providing $426,131 for depreciation and $160,000 for tax provision, net profit totalled $85,540 or 91 cents a share. In the preceding year there was a deficit of $22,809. The effect of war contracts on operations is seen in the balance sheet. Inventories more than doubled at $5 millions, and accounts receivable were substantially higher. At the same time, bank loans advanced $525,000 while accounts payable and progress payments were substantially higher.

Income and Surplus Account
Years Ended Dec. 31.

	1941	1940
	$	$
Net revenue	792,999	*20,018
Less: Exec. salaries	42,993	......
Legal fees	1,106	......
Directors' fees	1,040	......
Depreciation	426,131	......
Note discount	3,189	2,791
Tax provision	160,000	......
Cont. reserves	75,000	......
Net profit	85,540	*22,809
Previous deficit	79,022	*56,213
Surplus forward	4,518	*79,022
*Deficit.		
Working Capital	$	$
Current assets	6,042,465	2,627,927
Current liabilities	6,170,493	3,057,415
Working capital*	128,028	429,488
*Excess of current liabilities.		
Balance Sheet Changes	$	$
Cash	5,015	100,365
Accts. receivable	903,539	111,170
Inventories	5,086,847	2,284,180
Property	1,174,198	794,857
Bank loan	1,525,000	500,000
Accts. payable	910,710	603,897
Progress payments	3,388,915	1,779,616

General Trust

General Trust & Executor Co., Halifax, reports lower net profits for the year ended Feb. 28, 1942, chiefly due to higher taxation. The 4% annual dividend was covered with a surplus of $981.

A satisfactory year and gain in business is reported by E. L. MacDonald, president. Stronger cash position was achieved, more so than would have normally been considered necessary. Since the close of the year $25,000 in Victory Bonds have been bought. First mortgage investments in combined company and guaranteed trust accounts rose $100,000 to over $910,000. No interest was due and uncollected at the year end.

Income and Surplus Account
Years Ended Feb. 28

	1942	1941
	$	$
Net earnings	20,701	20,973
Less: Dividends	10,092	10,092
Furniture w/o	258	129
Taxes	9,370	8,236
Surplus for year	981	2,516
Add: Prev. surplus	14,492	16,976
Less: Tsf. to gen. res.	......	5,000
Surplus forward	15,473	14,492
Earned per Share:	4.38%	4.90%
Balance Sheet Changes	$	$
Company account:		
Mortgages & int.	106,865	119,869
Investments	76,601	71,091
Advs. to trusts & est.	11,295	12,480
Cash	54,792	40,456
Guaranteed trust acct.	963,957	984,559
Trusts, estates, etc.	890,163	774,326

ZELLER'S LIMITED

and Subsidiary Companies
CONSOLIDATED BALANCE SHEET
as at 31st January, 1942

ASSETS			
Current:			
Cash		$ 895,602.06	
Inventories (Quantities determined by actual count, weight or measurement under supervision of the Management and priced at the lower of Cost or Market).		779,509.36	
Sundry Accounts Receivable and Deposits		16,160.07	
Prepaid Expenses and Supplies		62,848.13	
Life Insurance—Cash Surrender Value		17,700.00	$1,771,819.82
Fixed Assets—at Cost—			
Land and Buildings	$ 721,847.63		
Less:—Reserve for Depreciation	41,899.27	679,948.36	
Fixtures, Equipment and Improvements to Leasehold Premises	2,281,494.56		
Less:—Reserve for Depreciation	1,009,435.24	1,272,059.32	1,952,007.68
Note:—It is the intention of the Companies to apply for a reserve against future depreciation in Inventory Values under the provisions of the Excess Profits Tax Act.			
			$3,723,827.50
LIABILITIES			
Current:			
Accounts Payable		$ 449,854.82	
Miscellaneous Accrued Taxes		11,765.46	
Provision for Income and Excess Profits Taxes		428,688.37	
Debenture Stock and Mortgage Instalments due within Twelve Months		41,300.00	$ 931,608.65
Mortgages Payable			309,100.00
Debenture Stock:			
Authorized and Issued—Six Per Cent Cumulative Redeemable with Sinking Fund		$ 250,000.00	
Less:—Redeemed or due in 1942		185,000.00	65,000.00
Capital and Surplus:			
Authorized—			
40,000 Six Per Cent Redeemable Preferred Shares of a Par Value of $25.00 each		$1,000,000.00	
130,000 Common Shares without Nominal or Par Value.			
Issued and Fully Paid—			
30,000 Preferred Shares	$ 750,000.00		
125,000 Common Shares	625,000.00	$1,375,000.00	
Consolidated Earned Surplus		1,043,118.85	2,418,118.85
			$3,723,827.50

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
For the year ended 31st January, 1942

Sales			$9,621,970.54
Deduct—			
Cost of Goods Sold, Operating, Selling and Administrative Expenses, exclusive of items shown hereunder		$8,588,977.58	
Salaries of Executive Officers		43,750.00	
Legal Fees		738.14	
Directors' Fees		850.25	8,634,315.97
			987,654.57
Deduct—			
Interest on Mortgages		$ 17,272.86	
Interest on Debenture Stock		5,922.74	
Depreciation—Buildings, Fixtures and Equipment and Improvements to Leasehold Premises		201,724.85	224,920.05
			762,734.52
Deduct—			
Provision for Income and Excess Profits Taxes			390,000.00
Consolidated Net Profit for the Year			$ 372,734.52

CONSOLIDATED STATEMENT OF EARNED SURPLUS

Balance at Credit—31st January, 1941			$ 777,027.22
Add—			
Consolidated Net Profit for the Year		$ 372,734.52	
Transferred from General Reserve		30,000.00	402,734.52
			1,179,761.74
Deduct—			
Dividends on Preferred Shares	$ 45,000.00		
Dividends on Common Shares	100,000.00		
	145,000.00		
Less:—Amount charged to Distributable Surplus which absorbed the balance thereof as at 31st January, 1941	33,250.00	111,750.00	
Additional Income and Excess Profits Taxes for Prior Years		24,892.89	136,642.89
Balance at Credit—31st January, 1942			$1,043,118.85

Approved on behalf of the Board:
WALTER P. ZELLER, Director.
R. T. HARTT, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the books and accounts of Zeller's Limited and its Subsidiary Companies as at 31st January, 1942, and we have obtained all the information and explanations which we have required. We report that, subject to the final determination of the Companies' liability for Excess Profits Taxes, in our opinion, the above Consolidated Balance Sheet as at 31st January, 1942, and relative Consolidated Statements of Profit and Loss and Earned Surplus are properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

MONTREAL, 14th March, 1942. (Signed) DUNTON, ROSS & FREWIN, Chartered Accountants.

ANNUAL REPORT TO THE SHAREHOLDERS:

Your Company's Tenth Annual Report presented herewith sets a new record both for Sales and Profits. The year under review, which ended January 31st, 1942, must in every respect be regarded as a memorable period not only for this Company but also for the retail trade in general, both on account of the unprecedented volume of consumer buying and by reason of the fact that, for the last two months of this period, business was conducted under a hitherto untried system of over-all Governmental Price Control. The operations of the Parent Company, Zeller's Limited, have been consolidated with those of its wholly-owned Subsidiaries for the purposes of this report and the Balance Sheet and Statement of Profit and Loss which follow.

PROGRESS:

It will be noted that Sales amounted to $9,621,970, an increase of $1,815,866 over the preceding year, an advance of 23.26%.

In cooperation with the announced wishes of the Government that all unnecessary capital expenditures be avoided for the duration, no new stores were opened in the year under review. However, the work which was in progress of enlarging and remodelling three stores was necessarily completed. Omitting in each year the sales of the three stores in question, the total increase in sales in the remaining stores as compared with their performance in the preceding year is 19.80%.

The Company's progress since commencement of business is shown in the following table:

Year Ended Jan. 31st	Stores Operating End of Year	Net Sales	Profits before Taxes	Dominion and/or Provincial Taxes	Net Profits after Taxes
1933	13	$2,292,938	$ 27,991*	$ 1,397	$ 29,388*
1934	14	2,427,072	389*	1,793	2,182*
1935	15	3,321,423	18,342	5,314	13,028
1936	18	4,157,461	100,343	19,620	80,723
1937	20	4,462,338	178,081	31,918	146,162
1938	22	5,063,910	269,759	45,532	224,227
1939	24	5,017,028	216,322	38,596	177,726
1940	27	6,180,192	324,118	70,829	253,289
1941	27	7,806,104	503,785	213,387	290,398
1942	27	9,621,970	762,735	390,000	372,735

*Deficit.

PROFITS:

The increase in Net Profits over the previous year was 28.35%. After providing for Debenture Interest and Depreciation and after allocating $390,000 to meet Federal Taxes, there remained a Profit of $372,735 to be transferred to the Consolidated Earned Surplus Account.

The Profits for the year under review were deemed ample enough to justify not only the regular 6% Dividend on the Preferred Stock but also a bonus of 20c. per share on the Common Stock, in addition to the four quarterly Dividend payments of 20c. each thereon. Accordingly, for the full year the holders of the Common Stock received a total of $1.00 per share.

EARNED SURPLUS:

The balance of this account now stands at $1,043,118. In order to simplify the Balance Sheet your Directors considered it advisable to eliminate therefrom the items of Distributable Surplus and General Reserve. Distributable Surplus in the amount of $33,250 was, therefore, applied in part payment of Dividends for the year, and the General Reserve of $30,000 was transferred to Earned Surplus as shown in the Consolidated Statement of Earned Surplus.

TAXES:

In view of the Nation's financial needs in the cause to which it is dedicated, no comment is justified with respect to the amount of the Company's Taxes, save to mention the satisfaction of all connected with this business in knowing that hard and faithful work for the Company is now in considerable measure a contribution towards the National War Effort. As above mentioned, the appropriation for Federal Taxes this year amounted to $390,000 as compared with $210,000 in the previous year and $60,150 in the year before that. It may be noted that the Tax appropriation this year is not far from equalling the total Net Profit which the Company earned from the time it started business in February 1932 until the end of its fiscal year in January 1938, and is more than two and one-half times as much as the combined Dividend payments above mentioned on the Company's Common and Preferred Stock.

DEBENTURES:

Provision has been made to redeem $27,000 Debenture Stock on May 31st, 1942. This will leave a balance of $65,000 par value then outstanding.

PERSONNEL:

On August 1st, 1941, your Company was privileged to institute both a Group Life Insurance Plan and a Group Pension Plan for the benefit of its employees whose continuing loyalty and diligence are most gratefully acknowledged. The Group Pension Plan is open to all male employees who have completed a prescribed period of service and the Group Life Insurance Plan is open alike to both male and female employees with prescribed service qualifications. One of the features of the latter plan is that each female employee who is or becomes eligible receives, without any charge to herself a $500.00 policy on which the Company will continue to pay all premiums as long as she remains in its service. Both the Group Life Insurance and the Group Pension Plans have been underwritten by an outstanding Canadian Life Insurance Company.

FREDERICTON FIRE:

It is with regret that we report the loss by fire of the store operated at Fredericton, N.B. Early on the morning of March 4th, 1942, a fire which started in adjoining premises, and which the prompt and unflagging efforts of the Fredericton Fire Department were unable to prevent from spreading, completely destroyed the entire building, including the merchandise and fixtures owned by this Company. As these were amply covered by insurance, the major loss will consist of the loss of profits which will be suffered until business is properly resumed. Steps are being taken by the owner of the property to have it rebuilt and it is hoped that a new store on the same site may be opened within five or six months.

STORE FRONTAGE:

It may be of interest for the Shareholders to know that the total amount of street frontage occupied by the Company's stores at the present time is approximately 1500 feet. Since the average city block is about 300 feet long, if all the Company's stores were placed side by side they would extend five city blocks.

CONCLUSION:

In the year which lies ahead, there are so many imponderable factors which may affect business in general and the retail trade in particular that it is impossible to forecast what the results of your Company's operations may be expected to be. Undoubtedly, the Maximum Prices Regulations and the other forms of Governmental control must have a profound effect upon business. As to what the nature of this effect will be, the experience of the year just closed is not sufficient to provide an adequate clue. The Maximum Prices Regulations only came into operation on the 1st December last, after the bulk of the Christmas merchandise was in the stores ready for sale, although your Company had voluntarily pegged its selling prices in October following the Prime Minister's announcement of the proposed Price Control. It remains to be seen how the over-all system of Price Control will work out in the year ahead, when the entire process from the manufacturing of goods to their retail sale will have to be conducted under the established Price Ceilings. In like manner, the full effect of the shortages which are developing in many lines of merchandise has still to be felt. Nevertheless, despite various adjustments, business, for the present at least, continues to prove satisfactory.

As for the future, the same loyalty and diligence which the staff has hitherto so amply demonstrated will be applied as wholeheartedly to the problems that may lie ahead and, insofar as Government regulations and instructions apply to this business, such regulations and instructions shall be scrupulously implemented in the realization that there can be no abiding security until by the union of all the resources at the disposal of Democracy, peace with victory is finally achieved. On behalf of the Board,

WALTER P. ZELLER, Chairman.

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

McColl-Frontenac

Would you be kind enough to give me information regarding the current position of McColl-Frontenac especially as regards the common stock.

McColl-Frontenac Oil Co. operating profits rose to a high level in 1941. On the other hand, net profits were somewhat smaller due to substantially higher tax provision. For the current year to date, sales are ahead of last year. There is no official information on earnings. For the immediate future the company has several problems to contend with and common to all oil distributors, namely, rationing of gasoline and difficulties in maintaining supplies of crude oil. Because of the uncertain outlook, it is likely the management will follow the policy of conserving cash resources rather than paying them out in the form of dividends on the common stock.

Parkway Syndicate

I have been approached to buy units in a real estate proposition called Parkway Syndicate. How would you classify this as an investment?

The Parkway Syndicate holds the equity in an 18-suite apartment on Eglinton Ave. West in Toronto. There are outstanding 304 units of $100 in the Syndicate. Ranking ahead of these units is a first mortgage which at the end of 1941 amounted to $33,500, as compared with the original total of $37,500. The 6% dividend rate paid by the Syndicate in 1941 was just covered by earnings.

The building at the present time is enjoying 100% occupancy, a situation which seems likely to hold while present wartime conditions exist. Over the longer term outlook for this type of investment would seem to depend upon the rate at which the first mortgages can be reduced, and on other real estate and rental conditions which cannot be predicted at the present time, but which have shown considerable variableness in the past.

Republic of Peru

What is the situation on Republic of Peru 6% bonds due 1961? Is interest still in arrears?

Last interest to be paid on Republic of Peru 6% bonds due October 1, 1961, amounted to $15.75 and was paid April 1, 1931. Interest due April 1, 1932, and since has been in default.

In 1937 an arrangement was suggested to bondholders. That offer, however, expired and there is no word at the present time as to any plans to bring these bonds out of default.

Can. Gen. Investments

What is the dividend outlook for Canadian General Investments? Is there much chance of earnings improving?

Canadian General Investments Ltd. shares yield something over 7% at the current dividend rate and it appears quite likely that this rate will be paid and earned in 1942 as well. The company's earnings fluctuate directly with those of the companies whose securities it holds and, for the most part, earnings of Canadian companies have been well maintained last year. It appears likely that yield is the main consideration which should be thought of in deciding whether or not to buy these shares. Until stock markets reach higher levels than have been seen for some time past, this company can hardly show net assets above recent levels, which in turn were moderately below those of a year ago. Net assets were equivalent to $12.22 a share at Dec. 31 last.

Population Drops 6% For Saskatchewan

Province Loses Nearly 60,000 During 1941 Budget Speech Reveals — Small Deficit Shown For Last Financial Year

Population of Saskatchewan dropped some 6% during 1941, W. J. Patterson, premier and provincial treasurer, pointed out in his budget speech. Estimated population of the province is now 887,747 as compared with 946,000 in 1940.

Discussing the Dominion tax agreement Mr. Patterson pointed out that the agreement will stabilize and guarantee revenue from certain sources and will, to a certain extent, freeze the province's revenues. On the other hand, the grant which the agreement provides is in excess of the amount which the province could expect to collect for some years to come from the taxes which are being relinquished. It also leaves the province more dependent on revenues which are in turn dependent upon agricultural conditions which are subject to considerable fluctuation.

For the fiscal year ended April 30, 1941, Saskatchewan receipts on revenue account were $25,756,410 and expenditures $25,762,484, leaving a deficit of $6,073. Actual receipts exceeded estimates by almost $1.9 million, a result of better crop conditions in 1939 and 1940, together with a general improvement throughout the province.

Revenues Up to Mark

On the current fiscal year Mr. Patterson states that revenues to date are well up to the estimates and compare favorably with receipts in the previous year. Departmental expenditures have not increased materially. All relief expenditures this year must be provided from current account revenues, and to date a total of $1¼ million has been provided for this purpose. A considerably larger amount is said to be still required.

For the fiscal year 1942-43 Mr. Patterson says that estimates are unusually difficult to present. While certain revenues are definitely established under the Dominion agreement, many others are difficult to forecast. Rationing and restrictions will undoubtedly affect the returns from motor licenses, education tax and possibly other revenues. With a normal crop and improved prices for grain, receipts from certain revenues should be maintained and possibly improved. As prepared, the revenues estimates anticipate a continuance of the present scale of receipts, plus the increase provided by the tax agreement. No new taxes are proposed.

Agreement Benefits

Under the agreement Saskatchewan withdraws from tax fields which brought in $2,092,000 in 1940-41 and gives up its annual subsidy of $1½ million. In exchange the Dominion has agreed to pay Saskatchewan the amount of its net debt charges in the fiscal year 1940-41, less Succession Duties revenues. Amount payable to the province under this arrangement is $4,330,000 to which is added a fiscal need subsidy of $1½ million, or a total of $5,830,000. This would appear to give the province a financial gain of $2.2 millions but the discontinuance of the federal contribution to relief costs largely offsets this gain. The province's 1942-43 budget includes $2 millions for relief expenditures.

Mr. Patterson adds that the tax arrangement will be to Saskatchewan's advantage in normal years but the province would again face difficulties in the event of a recurrence of a relief problem such as it had in several years of the 1930's.

Company Reports

Montreal Tramways

Supplementing the report of the Montreal Tramways Commission, the Montreal Tramways Co. statement for 1941 reveals net profit of $1,148,543 or $16.41 a share, compared with $332,253 or $4.74 a share in the preceding year.

In his report to shareholders R. N. Watt, president, draws attention to the heavy increase in traffic last year due to increased industrial activity resulting from war conditions. He adds that if plans of the transit controller work out successfully the company will be in a better position to take care of the increased traffic.

Barker's Bread

Conditions in the baking industry in 1941 were very unsatisfactory, states J. B. White, president in the Barker's Bread Ltd. 1941 annual report. Material and labor costs increased, offsetting the saving effected by the elimination in July of the processing tax on flour. The Ottawa government refused to sanction a fully justified increase in the price of bread in Toronto, he states. It is anticipated that many long overdue economies will be effected in the baking industry in 1942. Already some of the fads, fancies and frills have been eliminated to conserve materials required during the war.

Income and Surplus Account
Years Ended Dec. 27

	1941	1940
	$	$
Operating profit	39,420	44,055
Less: Depreciation ...	43,030	42,371
Income taxes	4,534	1,193
Net loss	8,144	*491
Less: Pref. divds.	......	23,960
Subsid. pref. divd. ..	600	600
Deficit for year	8,744	24,069
Add: Prev. surplus ..	147,183	186,464
Less: Real est. loss ..	......	15,212
Surplus forward	138,439	147,183

*Profit.

Working Capital

	1941	1940
	$	$
Current assets	257,285	241,685
Current liabilities	237,979	250,241
Working capital	19,306	‡8,556

‡Excess of current liabilities over current assets.

C.I.I. Trust

Canadian International Investment Trust reports more favorable returns for the year ended February 28, 1942. While gross income showed little change, interest charges and preferred dividends were lower, due to purchases by the company, with the result earnings on the preferred stock at $4.30 a share compared with $3.56 in the 1941 fiscal year.

There was a reduction of about $190,000 in the book value of investments, while the market value stands at $2 millions or $207,000 less than at the close of February, 1941.

Income and Surplus Account
Years Ended Feb. 28

	1942	1941
	$	$
Gross income	162,352	164,442
Less: Expenses	32,104	22,385
Bond interest	55,000	82,421
Other interest	14,915	5,607
Net profit	60,333	54,029
Less: Pfd. dividend ..	29,297	31,490
Surplus	31,036	22,539
Previous surplus	351,550	329,012
Surplus forward	382,586	351,550
Earned on preferred.	$4.30	$3.56
Balance Sheet Changes		
Call loans	64,700	94,500
Investments	3,109,677	3,299,562
Bank loans	220,000	350,000
Preferred stock	1,402,500	1,515,000

First Narrows Bridge

Substantial gain in net and operating profits of First Narrows Bridge Co. was reported by W. G. Murrin, chairman of the board, at the annual meeting in Vancouver recently.

First Narrows Bridge Co. owns and operates Lions Gate Bridge, originally financed by the Guinness interests of Ireland, between Vancouver and the north shore of Burrard Inlet.

Voluntary conservation of gasoline during the last few months of 1941 had an adverse effect on pleasure travel across the bridge, according to the report and this tendency will probably continue now that rationing of gasoline has gone into effect.

After meeting taxes, bond interest and write-offs, the statement showed a loss of $117,917 compared with a loss in 1940 amounting to $183,805. Gross revenues totalled $364,525, compared with $305,898 in 1940. Operating profit, before charging depreciation, amortization and bond interest, amounted to $266,558, compared with $205,054 in the previous year.

Revenues for the first eight months of 1940 were considerably higher than during the corresponding period of 1940.

Ross Clarkson, Montreal, was added to the board of directors with other members re-elected.

St. John Drydock

Saint John Drydock and Shipbuilding Co.'s principal business in 1941 consisted of repairs to naval and merchant ships, the volume steadily increasing. In addition it carried on a programme of new construction, especially on corvette and cargo ships. After allowing for larger writeoffs, net profit was equal to $4.32 a share on the common stock against $5.07 the year before.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Oper. profit	277,851	263,570
Less: Adjustments ..	1,912	2,913
Donations	8,208	3,762
Depreciation	113,774	62,080
Tax provision	64,866	54,064
Contingencies	35,820	50,000
Doubtful accts.	......	36,487
Net profit	53,271	58,263
Add: Prev. surplus ..	232,546	211,203
Less: Loss assets sale	29,862	......
Pfd. dividends	18,807	19,123
Pfd. part. divd.	1,074	1,073
Common divds.	33,750	11,250
Preferred S. F.	5,745	......
Pref. purchased ..	......	5,500
Surplus forward	196,579	232,517
Earned on Common ..	$4.32	$5.07

Working Capital

	1941	1940
	$	$
Current assets	779,055	1,121,976
Current liabilities ...	388,900	792,540
Working capital	390,155	329,436

Balance Sheet Changes

	1941	1940
	$	$
Accts. receivable	263,805	678,018
Work in process	1,953,681	784,935
Bank loan	58,700	511,687
Bonded debt	2,913,371	3,065,616
Preferred	340,500	346,300

Dom. Engineering

All plants of Dominion Engineering Works operated at full capacity —24 hours a day—during 1941, with production exceeding any other year on record, according to a statement made by W. F. Angus, president, in the company's financial report for 1941. Because of wartime restrictions no particulars are given of production. In order to meet with demands, however, the company spent nearly $600,000 on capital account.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Total income	2,068,302	1,204,327
Less: Exec. salaries ..	47,970	42,155
Directors' fees	10,120	10,060
Legal fees	2,874	3,041
Research exp.	18,191	12,988
Depreciation	703,579	396,273
Tax provision	995,000	530,000
Net profit	290,568	209,809
Previous surplus	1,107,509	897,700
Surplus forward	1,398,078	1,107,509
Working Capital		
	$	$
Current assets	5,589,477	3,476,502
Current liabilities	3,021,299	1,779,679
Working capital	2,568,178	1,696,823
Balance Sheet Changes		
	$	$
Cash	1,036,463	627,509
Accts. receivable	1,041,187	600,783
Work in progress	2,190,032	847,992
Accts. payable	3,021,299	1,779,679

National Pole

National Pole & Treating Co., subsidiary of Minnesota & Ontario Paper Co., reports a gain of over $500,000 in sales last year and net profit, after all interest and other charges, of $198,390 against a deficit of $7,661 in 1940.

Balance sheet shows the bank loan of $600,000 obtained to finance redemption of the secured gold notes, reduced to $525,000 at Dec. 31 last and since reduced to $420,000. National Pole last year received 82,508 common shares of Minnesota & Ontario Paper in the latter's reorganization. These are shown on the balance sheet at $1.7 million, equivalent to the $20.22 a share value shown by M. & O. Paper, in settlement of $2.9 millions of claims against M. & O. Paper.

Last year, National Pole & Treating reduced its stated capital stock value from $3 millions to $300,000, without any change in the number of shares.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Net sales	2,093,495	1,488,032
Less: Cost of sales	1,683,641	1,325,743
Expenses	137,672	129,986
Other deductions ..	1,056	3,714
Add: Other income ..	10,261	6,782
Net earnings	281,377	35,371
Less: Interest & amort.	47,987	43,032
Income taxes	35,000	......
Net profit	198,390	*7,661
Add: Prev. surplus ..	527,338	534,999
Earned surplus fwd. .	725,728	527,338

*Deficit.

Working Capital

	$	$
Current assets	924,560	1,054,018
Current liabilities	249,888	97,887
Working capital	674,672	956,131

Northern Telephone

Slightly higher gross earnings for Northern Telephone Co., New Liskeard, in 1941 were outweighed by heavier depreciation reserves and taxes. Net profit was 17 cents a share on the 477,960 common shares against 19 cents in 1940.

Number of telephones in use at Dec. 31, 1941, was 14,189 against 13,506 at the end of 1940. Reduction of $6,000 was made in the amount of bonds outstanding to leave a total of $139,500.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Gross earnings	525,965	521,615
Less: Expenses	321,239	322,573
Net earnings	204,726	199,042
Less: Depreciation ..	73,217	71,707
Interest	5,772	6,199
Income tax	44,981	32,273
Net profit	80,756	88,863
Less: Dividends	47,796	47,796
Surplus for year	32,960	41,067
Add: Prev. surplus ..	271,931	230,864
Less: Tax adjust. ...	1,246	......
Surplus forward	303,644	271,931
Earned per Share	$0.17	$0.19
Paid	0.10	0.10
Working capital	24,289	*20,711

*Excess of current liabilities over current assets.

Can. West Lumber

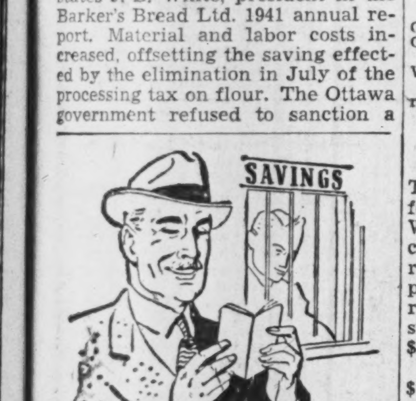
Improved operations for Canadian Western Lumber Co. continued in 1941. Sufficient earnings are available to pay the full 5% interest on the 5% cumulative income debenture stock for 1941 on June 1, with a small balance carried forward. In 1940 the company paid 3% on this income debenture stock and in 1939 1%. Arrears of $3.8 millions have accumulated on the debenture stock, payable only when net earnings are available prior to maturity. Also outstanding is a 5% first mortgage debenture issue, due Dec. 1, 1945, which was reduced during 1941 from $1.3 million to $963,405.

Lumber sold during 1941 amounted to 190.4 million feet compared with 194.3 million feet in the preceding year, a decrease of 3.9 million ft. Operating expenses were higher owing to increased costs for labor and supplies. Earnings show improvement due to higher average selling prices.

Difficult shipping conditions last year accounted for the lower sales of lumber and other products, states H. J. Mackin, president. Sales to the United States increased. Unsatisfactory crops and low prices realized by prairie farmers hit country trade in western Canada. A large demand was experienced in cities throughout Canada where war building was extensive.

Consol. Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Operating profit	1,851,994	1,618,939
Less: Exec. remuner. .	127,730	126,546
Directors' fees	7,000	7,000
Legal costs	6,098	19,719
Add: Invest. income ..	3,058	2,310
General interest ...	34,002	31,361
Net earnings	1,748,226	1,499,345
Less: Depreciation ...	224,620	186,195
Deprec. invest.	18,641	41,895
Taxes	600,000	654,000
Fire & conting.	195,000	......
5% deb. interest ...	65,695	96,496
Net profit*	644,270	520,759
*Before depletion of timber and avail. for:		
5% 1st mtge. deb. s.f.	363,395	348,929
5% inc. deb. stk. int.	280,875	171,830
Balance [illegible]	nil	nil
[illegible]	[illegible]	[illegible]



SAVINGS
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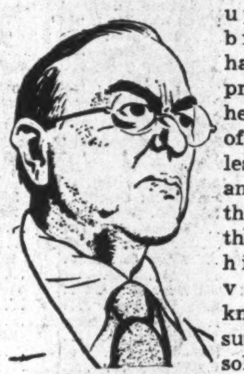
London Calling by Adelphi

LONDON.—It is interesting to watch the emergence of the coming men. There are four of them now, Eden, Cripps, Lyttleton and, I would be inclined to include, R. G. Casey, the Australian recruit from Washington. They are all in their forties or early fifties which is the formidable age for men who are in a position to catch the rising tide. At the present moment Eden is leader of the house and looks every inch a prime minister. His movements and appearance satisfy the eye at all times and his voice is effective for the cut and thrust of debate although not so good for a long speech.

Cripps, of course, is the man who has had the garland placed upon his brow and has yet to prove that he is worthy of it. Needless to say I am writing this before the result of his Indian visit is known. If he succeeds in solving the insoluble then he will be able to come home on an elephant and the whole populace will acclaim him — except, of course, the retired Anglo-Indians in their Pall Mall clubs.



London Daily Mirror
CRIPPS

Mr. Casey is merely coming to Europe for the war, but the man who has tasted political power in Britain seldom finds his feet itching to return home. Mr. Casey is good looking, popular, well to do, married to an attractive lady and very popular both in Washington and London. In fact his success in Washington was outstanding. To be a member of the War Cabinet he will have to become a member of either the Commons or the Lords and I cannot see him taking a peerage. And once he is a member of the British House of Commons representing a British constituency he might well stay on and enter the charmed circle of those who might be called to high office.

* * *

Churchill Comes Back

In the meantime Mr. Churchill's popularity, which suffered a severe decline after Singapore and the escape of the Scharnhorst, is recovering. The British people are beginning to realize that his long term policy of full co-operation with America is the most important thing in the war. In other words, the British are not quite so obsessed with Russia as they were although Joe Stalin is still the only political figure who draws applause when he appears in the newsreels in the cinema.

* * *

Alexander of Burma

In the present situation of the war Britain has no generals with a glittering reputation to compare with that of General MacArthur. It is true that the name Wavell has still an element of magic that is robbed of part of its lustre by the fact that it was the Italians whom he defeated. Auchinleck looked as if he might join the gallery of fame but Rommel's recovery kept the oddly named Scot just at the entrance to the gallery.

There is one man, however, who is bound to be in the news in a big way and who possesses every qualification for glory and fame. I refer to Lt.-General Sir Harold Alexander, who has gone out to command the Allied Forces in Burma.

When Lord Gort was ordered home during the evacuation of Dunkirk it was Alexander whom he appointed to take charge of the harassed British forces. Alexander smiled broadly. "Good!" he ejaculated. "This is the kind of beach I like, a casino, a pier and everything. And when you want a bit of sport you can't have anything better than the Germans."

Field Marshal Lord Cavan was telling me recently about the time when Alexander was sent somewhere in India a few years ago to take command of a Brigade. He arrived on a Saturday afternoon, changed into sports clothes, went out and at once joined in a ground hockey match that was being played between the officers and N.C.O.'s.

"May I ask who you are?" asked a captain.

"I'm your new brigadier," said Alexander. "What's the score?"

He once laid down as an axiom of tactics: "When you have made every preparation, attack. When you have no time to prepare your defence, attack."

He is a character from Dumas. D'Artagnan would have followed him into the cannon's mouth. Whatever happens in Burma, Alexander will do something spectacular.

* * *

Farmer Governor

He will have kindred spirit in my old friend Sir Reginald Dorman-Smith, the governor. Dorman-Smith was a gentleman-soldier-farmer and became president of the National Farmers' Union. In 1935 he entered Parliament and seldom spoke although he had a striking personality and a good voice. Then he went to Australia to an agricultural convention and returned via Canada, where he made many friends. For no particular reason he was knighted.

Shortly afterward he was made Minister of Agriculture. No longer was he the farmer's advocate but the farmer's master, a similar transition to that which Mr. Bevin made when he ceased to be the trade union boss and became Minister of Labor.

Dorman-Smith had a stormy passage and after a few months resigned. In the interim, however, he had become a privy councillor and was, therefore, the Right Hon. Sir Reginald. To the surprise of all of us he was offered and accepted the post of governor of Burma. "You will never hear of me again," he said sadly. Now he is definitely in the news again. He and Alexander will like each other. They are both forceful and both used to authority. They will have dreadful difficulties to overcome, perhaps insuperable. But they will make a fight of it—that is certain.

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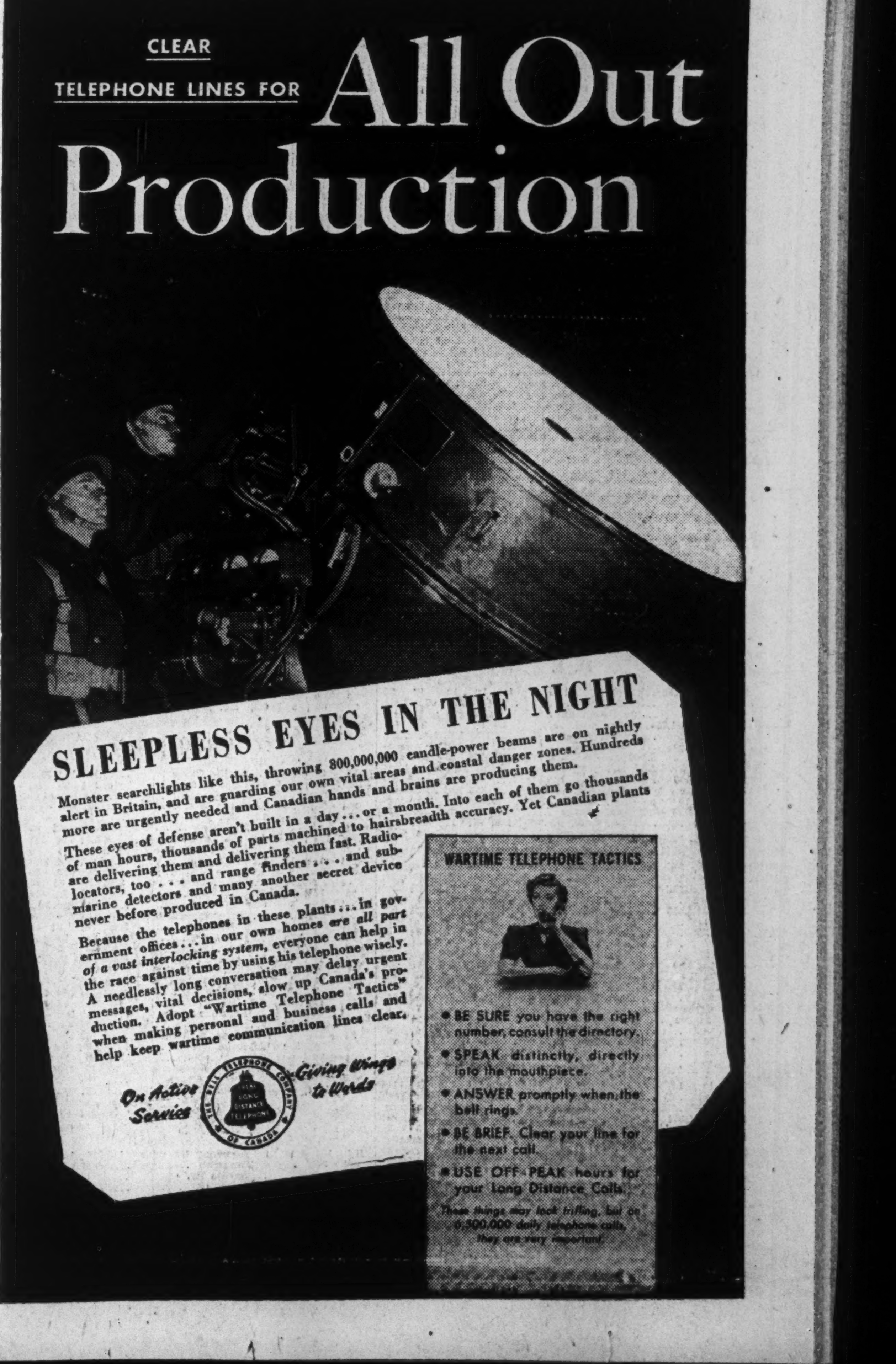

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THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING APRIL 13

A

Range 1942 High	Low	Div R'te $	April 11 Y'ld %		Sales	Last Apr. 6	Week end. Apr. 13 H	L	Cl'se
.75	.40	.	...	Abitibi	2050	.60	.65	.55	.55
7	4½	.	...	Do. pref. 6%	755	5½	6	5½	5½
13	6	.	...	Do. pref. 7%	....	(10½ bid — asked)			
3	3	.	...	Acme Glove	....	(3 bid 4 asked)			
60	50	6.50	12.3	Do. pref.	40	50	53½	53½	53½
13	12	80+20c	8.3	Agnew Surp.	....	(12 bid — asked)			
110	109	7	6.4	Do. pref.	15	..	110	109	109
.90	.75	.	...	Alta. Pac. Gr.	....	(.75 bid .95 asked)			
27	22	.	...	Do. pref.	25	22	22	22	22
9½	8½	.	...	Algoma Steel	125	9	9	8½	8½
82	82	5	6.1	Do. pref.	....	(82 bid 92 asked)			
109	96	8+2	9.6	Aluminium	320	100	103	101½	103
115	112	6	5.3	Do. pref.	....	(112 bid — asked)			
7½	6	25c	...	Amal. Electric	....	(6 bid — asked)			
†37	37	60c	1.6	Amer. Cyn. B.	....	(33 bid — asked)			
41	40	2.75	6.7	Ang. Can. Tel. p	61	..	41	40	40½
19	17	60+60c	6½	Asbestos	90	18	18½	18½	18½
18½	14½	1.75	12	Assoc. Brew.	145	15	14½	14½	14½
110	109½	7	6.4	Do. pref.	....	(110½ bid — asked)			
†1	1	.	...	Assoc. T. & T.A.	....	(— bid — asked)			
‡24	24	96c	...	Do. pref.	....	(— bid — asked)			
102	102	5.50	5.4	Ault & Wiborg.	....	(102 bid — asked)			

B

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
150	142	8	5.3	Bk. Can. Nat.	28	148	150	148½	150
189	182	8	4.3	Bk. Montreal	204	182½	184	182	182
274	269	12	4.4	Bk. N. Scotia	86	272	273½	273	273½
255	228	10	4.2	Bk. Toronto	29	238	238	235	235
8½	8½	22½c	..	Barber Ellis	....	(6 bid — asked)			
•5	4½	.	...	Barcelona	....	(— bid — asked)			
†1.25	.35	.	...	Barker's Bread	....	(.35 bid .75 asked)			
14	14	.	...	Do. pref.	....	(— bid 14 asked)			
14½	13½	1+25c	9	Bathurst Pr.	1338	14½	14½	14	14
2½	1	.	...	Do. (B)	10	1	1½	1½	1½
4	3½	.	...	Beath & Sons	5	3½	4	4	4
8	6½	.	...	Beatty Bros.	20	6½	6½	6½	6½
110	102	6	5.4	Do. pref.	139	106	110	110	110
90	76	7	7.8	Do. 2nd pref.	....	(86 bid — asked)			
9¾	9½	.	...	Beauharnois	256	9¾	9¾	9¾	9¾
81	81	4+2	7.4	Belding Cort.	....	(80 bid 86 asked)			
124	115	7	6.1	Do. pref.	....	(— bid — asked)			
150½	143	8	5.5	Bell Telephone	523	145	145¾	144½	144½
6¾	6¾	30+5c	5.2	Bertram & Sons	....	(6¾ bid — asked)			
7½	7	60c	8.6	Biltmore Hats	20	7½	7	7	7
3	2½	.	...	Blue Ribbon	110	2¾	2¾	2¾	2¾
32½	30	2.50	7.7	Do. pref.	....	(— bid 29½ asked)			
10½	10½	60c	5.6	Blue Top Br. A.	....	(8 bid 11½ asked)			
10½	8	.	...	Do. "B"	....	(10 bid 11 asked)			
20½	20½	1.30	6.3	Brant. Cord. pf.	....	(20½ bid 23½ asked)			
8¾	6	40c	...	Brazilian Tr.	1613	7½	7¾	7½	7¾
5½	4½	50+10c	..	Brew. & Distil.	46	4½	4¾	4½	4½
†6½	6½	30c	4.6	Bright, T. G.	....	(6½ bid — asked)			
†90	90	6	6.7	Do. pref.	....	(90 bid — asked)			
18	13	1	7.4	Brit. Amer. Oil	1433	13½	13¾	13½	13½
16	12	1.50	...	B. C. Packers	54	12½	13½	12	13½
22	18	2	10.5	B. C. Power A.	165	19	19	18¾	18¾
1½	1½	.	...	Do. (B)	....	(1 bid 2 asked)			
5½	4½	10c	...	Bruck S. Mills	990	5	5½	5	5
13½	11½	70+10c	6	Building Prod.	345	13½	13½	12¾	13½
8	7¾	60c	7.5	Burlington St'l	150	8	8	8	8

C

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
‡70	70	.	...	Calgary Power	....	(— bid — asked)			
99	98	6	6.1	Do. pref.	....	(95 bid — asked)			
2¾	2½	.	...	Canada Bread	....	(— bid 2¾ asked)			
103	100½	6	5.9	Do. pref.	....	(100½ bid — asked)			
46	35	2.50	7.2	Do. pref. (B)	35	40	37	35	35
5½	5	40c	8	Canada Bud	50	5	5	5	5
5	3¾	.	...	Canada Cement	4	4	3¾	3¾	3¾
102	95½	6.50	6.7	Do. pref.	45	98½	96½	96½	96½
†5¾	5¾	40c	...	Can. Cr. Stone	....	(4 bid — asked)			
106	102	5	4.8	Canada Cycle, p	....	(103 bid — asked)			
20¾	17	1.50	8.3	C. & D. Sugar	185	18	18	18	18
19	15	1.50	10	Can. Forg. (A)	1	18	15	15	15
19½	18½	1.50	7.9	Do. (B)	....	(— bid 19 asked)			
†50	35	6	...	Can. Iron	....	(— bid 50 asked)			
†80	70	6	8	Do. pref.	....	(— bid 80 asked)			
‡390	390	20	...	Canada Life	....	(— bid — asked)			
38	33	2+50c	7.2	Can. Malting	60	34	34½	34½	34½
5¾	4½	60c	12	Can. Nor. Pr.	....	(4 bid 5 asked)			
85	78½	7	8.9	Do. pref.	10	81¾	78½	78½	78½
87	75	4	4.9	Can. Packers	10	75	82	82	82
126	120	8	6.5	Can. Perman.	5	121½	124	122	124
9	9	50c	...	Can. Starch	95	9	9	9	9
111	111	7	6.3	Do. pref.	30	..	111	111	111
7	5	.	...	Can. Steamsh's.	5521	6½	7	6½	6½
29¾	25½	2.50	9.4	Do. pref.	1942	26½	26½	26	26
7½	6	40+10c	8	Can. Vinegars	105	6	6½	6	6
57	50½	4	7.9	Can. W. Cable	61	53	55	50½	50½
24¾	19½	2	9.7	Do. (B)	25	21	20½	20½	20½
108	106	6.50	6	Do. pref.	....	(105½ bid — asked)			
1.75	.80	.	...	Can. Bakeries	....	1.25 bid 2.00 asked			
57½	48½	3.75	...	Do. pref.	5	57½	51	51	51
154	144¾	8	5.5	Can. Bk. Com.	105	145½	146	144¾	144¾
1.40	1.00	.	...	Can. Breweries	570	1.25	1.25	1.25	1.25
31	28	3	10.1	Do. pref.	230	29	29½	28½	29½
32	28½	1.50+50c	7	Can. Bronze	10	28½	29	29	29
105½	105	5	4.7	Do. pref.	50	105½	105½	105½	105½
6	4¾	50c	10	Can. Canners	100	5	5	5	5
22	16½	1+20c▪	7	Do. 1st pfd.	165	16¾	16½	16½	16½
9½	8	60+20c▪	10	Do. 2nd pfd.	1122	8	8	8	8
6	4½	.	...	Can. Car & Fd'y	770	5	5½	5	5½
25¾	21½	1.75	7.3	Do. pref.	535	24½	25½	23¾	25
27½	21½	1+1	9	Can. Celanese	210	22½	22	22	22
125½	120	7+1.15▪	6½	Do. pref.	30	120	123	120½	122
23	22½	1	4.4	Do. Rights	....	(22½ bid — asked)			
17½	17	2	11.8	Can. Convert.	....	(15 bid 17 asked)			
102½	102	4+2	5.8	Can. Cottons	....	(100 bid 105 asked)			
115	113	6	5.2	Do. pref.	5	115	115	115	115
14½	10	.	...	Can. Dredge	11	10	10	10	10
100	98	6	6.1	Can. Fairb. p.	....	(98 bid — asked)			
18	15	1.90	11.2	Can. For. Inv.	10	17	17	17	17
105	105	8	7.6	Do. pref.	....	(105 bid — asked)			
210	208½	8	3.8	Can. Gen. Elec.	....	(210 bid — asked)			
7½	6½	50c	7.7	Can. G. Inv.	....	(6½ bid 7½ asked)			
3½	3	25c	...	Can. Ind. Alc.	815	3½	3½	3½	3½
3¾	2	25c	...	Do. (B)	20	3	3½	3½	3½
167	140	6	4.1	Can. Indust. B.	35	144	147	147	147
175	155	7	4.5	Do. pref.	....	(155 bid — asked)			
.30	.25	.	...	Can. Int. I. Tr.	....	(— bid .30 asked)			
40	40	2	5	Do. pref.	....	(38½ bid 50 asked)			
12½	12	1	8	Can. Lt. & Pr.	35	12½	12½	12½	12½
9	7	.	...	Can. Locomo.	25	7½	8	8	8
.60	.50	4c	...	Can. Marconi	100	.50	.55	.55	.55
15	13	60+70c	9.2	Can. Oil	....	(11 bid 13 asked)			
123	118	8	6.8	Do. pref.	....	(117 bid 120 asked)			
6½	5½	.	...	Can. Pacific	6530	5¾	5¾	5½	5¾
.35	.10	.	...	C. Pr. & Pa. In.	....	(.20 bid .30 asked)			
1.50	1.00	.	...	Do. pref.	....	(.50 bid 1.00 asked)			
3	2¾	.	...	Can. Vickers	....	(2½ bid 3 asked)			
24	20	.	...	Do. pref.	20	23	23	23	23
9½	9	1	...	C. Wallpaper A.	....	(9½ bid — asked)			
10	8	1	...	Do. (B)	....	(8 bid 8¾ asked)			
42½	41½	2	4.8	Can. West'ho'se	....	(— bid 42 asked)			
19	18	1.50+25c▴	8	C. Wire Box.	....	(18½ bid 20 asked)			
1.20	.95	.	...	Capital Estates	....	(— bid 1.05 asked)			
119½	119½	5	4.2	Carnation, pfd.	....	(119 bid — asked)			
6½	5	.	...	Catelli Food	....	(5 bid 8 asked)			
9	8	75c	...	Do. pref.	....	(9 bid 10 asked)			
†2.00	1.50	.	...	Celtic Knit	....	(— bid — asked)			
†155	145	8	5.5	Cent. Can. L'n.	....	(— bid 140 asked)			
95	80	4	4.2	Chart. Trust	5	80	95	95	95
3½	2¾	.	...	Ch. Gai Wines	50	2½	2½	2¾	2½
.12½	.09	.	...	Chem. Research	100	.09	.09	.09	.09
.25	.25	.	...	City Gas & El.	....	(.25 bid — asked)			
.05	.05	.	...	Claude Neon	....	(— bid .05 asked)			
1.42	1.12	12c	...	Coast Brew	100	1.16	1.16	1.16	1.16
6¾	5	50c	...	Cockshutt Plow	100	6½	6½	6	6
2.00	1.90	15c	...	Comm. Alcohol	....	1.75 bid 2.00 asked			
6½	5¾	40c	6.9	Do. pref.	15	5¾	5¾	5¾	5¾
3¾	3¾	25c	...	Conduits Nat.	66	..	3¾	3¾	3¾
10½	10	60c	5.8	Cons. Bakeries	215	10½	10¾	10¾	10¾
.02	.01	.	...	Cons. Div. Sec.	....	(.02 bid — asked)			
7½	7	75c	...	Do. pref.	....	(7 bid — asked)			
3½	2	.	...	Cons. Paper	4952	2¾	2¾	2	2
3	2	.	...	Cons. Press	....	(2 bid 3 asked)			
81½	76	‡3.50	...	Cons. Sand. pf.	....	(77 bid 80 asked)			
39	37½	1+1.50	6.5	Cons. Smelt.	1226	38½	38½	37¾	38½
132	115	8	6.8	Consumers' Gas	56	115	118	115	118
65	50	5.25+3.50▴		Corr. P. Box p	25	65	65	63	65
21½	18	1.20+15c	7	Cosmos Imp.	....	(18½ bid 19 asked)			
24½	22½	2	8.9	Crown Cork	....	(22½ bid — asked)			
1½	1½	.	...	Crown Dom. Oil	....	(1½ bid — asked)			
33	29½	3	9.7	Crow's N. Coal	55	29½	31	30½	31
.70	.35	.	...	Cub Aircraft	700	.40	.40	.35	.40

D, E

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
10½	9¾	1+15c	..	David & Fre. A	107	10	10	9¾	9¾
1.50	1.50	.	...	Do. (B)	....	(— bid 2.00 asked)			
7	7	.	...	de Havilland	7	7	7	7	7
80	75	7+1.75▴	..	Do. pref.	30	80	80	80	80
1.15	1.00	.	...	Disher Steel	10	1.15	1.05	1.05	1.05
10	8½	1.50	...	Do. pref.	....	(8½ bid 12 asked)			
26½	21	2.22	9.6	Distill-Seagram	1555	21½	23	21½	23
97½	92	5	5.2	Do. pref.	....	(80 bid 97½ asked)			
†30	30	2.50	...	Dom. Ang. Inv.	....	(24 bid — asked)			
†75	70	5	6.7	Do. pref.	....	(75 bid 84 asked)			
191	182	10	5.4	Dom. Bank	8	184	185	184	184
24	22	1.20	5	Dom. Bridge	145	23½	23½	23	23
15½	12	.	...	Dom. Coal, pf.	180	12¾	12¾	12½	12½
25	18	.	...	Dom. Engineer.	100	18	18	18	18
19	16½	1+25c	7	Dom. Foundries	75	16¾	17¾	17	17¾
106½	103½	6	5.7	Do. pref.	....	105 bid 106½ asked			
113	110	5	4.1	Dom. Glass	....	(113 bid — asked)			
151	150	7	4.7	Do. pref.	45	150	150	150	150
25½	22	1.20+40c	7	Dom. Oilcloth.	25	23	23½	23½	23½
.60	.50	.	...	Dom. Scot. Inv.	100	.50	.50	.50	.50
24½	23¾	‡2.55	...	Do. pref.	25	23¾	23¾	23¾	23¾
1½	1½	.	...	Dom. Square	....	(1½ bid — asked)			
9½	5½	.	...	Dom. St. & C.B.	5694	8½	9½	8½	8½
5	4	.	...	Dom. Stores	25	4½	4½	4½	4½
4½	3¾	.	...	Dom. Tar & Ch.	300	3½	3¾	3½	3½
87¾	85½	5.50	6.4	Do. pref.	5	85½	85½	85½	85½
82½	73	5	6.8	Dom. Textile	30	74	73	73	73
154	150	7	4.7	Do. pref.	30	151	150	150	150
1.25	.60	.	...	Dom. Woollens.	1	.60	1.00	1.00	1.00
7½	6½	60c	8.6	Do. pref.	235	7½	7½	7	7
4	3	10c	...	Donnacona P.	735	3½	3½	2½	3
6	4	.	...	Dryden Paper	880	4	4	4	4
†.50	.50	.	...	East Koot. Pr.	....	(— bid 1.00 asked)			
8	6	.	...	Do. pref.	....	(7½ bid 10 asked)			
.50	.25	.	...	East Dairies	....	(.30 bid .70 asked)			
10	7	.	...	Do. pref.	40	9	9	9	9
12	10	1	9	East Steel	40	11½	11½	11½	11½
6½	6½	.	...	East Theat.	....	(— bid — asked)			
3	2½	.	...	Easy Washing	....	(2½ bid 3 asked)			
25	25	1.37½	...	Economic Inv.	....	(— bid 25 asked)			
4½	3	.	...	Electrolux	10	3	3	3	3
3½	3½	.	...	Enam. & Heat.	....	(— bid 3 asked)			
29½	25	2.50	10	English Electric	....	(— bid 25 asked)			
3	1¾	.	...	Do. (B)	....	(2½ bid 4 asked)			
4¾	4½	15c	3.2	Equitable Life	....	(4½ bid 5 asked)			

F, G

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
3	1½	.	...	Fairchild Air.	65	2	2	2	2
19½	17	1	5.3	Fam. Players	....	(— bid 19 asked)			
22½	15	1.50+25c	11	Fanny Farm.	426	15¾	16½	16	16½
3½	2½	.	...	Fleet Aircraft	235	3	3	2½	2½
.30	.30	.	...	Fleury Bissell	....	(.30 bid .50 asked)			
10	10	.	...	Do. pref.	....	(10 bid 14 asked)			
16¾	14½	1	6.5	Ford Motor A.	2108	15½	15½	15	15½
17	14½	1	6.9	Do. (B)	2	15	14½	14½	14½
.15	.15	.	...	For. Pr. Secs.	....	(— bid .25 asked)			
16½	13	1+50c	10	Foundation Co.	20	14	14½	14	14½
13	7	.	...	Fraser Cos.	65	10	10	10	10
13½	10	.	...	Do. Vot. Tr.	1060	10	10½	10	10
.50	.50	.	...	Freiman	....	(.50 bid — asked)			
†55	41	‡4.50	...	Do. pref.	....	(50 bid — asked)			
6	4½	60c	11	Gatineau Pwr.	990	5½	5¾	5½	5¾
74	63	5	7.8	Do. pref.	95	65	65½	63	63
80	70	5.50	7.6	Do. 5½% pref.	10	73½	72	72	72
†1.25	.25	.	...	Do. Rights	....	(— bid .25 asked)			
6½	5	50c	...	Gen. St. Wares	185	6	5½	5½	5½
92	87	7+27c▪	8	Do. pref.	40	87	88	87	88
60	32	2.50+2.50		Goodyear Tire	70	34	36	35	35
49½	39	2.50	6.1	Do. pref.	88	39¾	41	40	41
†67	67	‡7	...	Gould Pumps	....	(— bid — asked)			
†4	2½	.	...	Gt. Lakes Pap.	....	(— bid 3¾ asked)			
†16	16	1.50	...	Do. pref.	....	(— bid 17 asked)			
2¾	1	.	...	Do. Vot. tr. c.	543	2½	2½	2	2½
16½	14	1.50	...	Do. Vot. tr. p.	215	15	15½	14½	14½
4½	4	.	...	Gt. W. Saddlery	40	4½	4	4	4
28	25½	3	...	Do. pref.	....	(— bid 25¾ asked)			
11¾	10	60c	6	Greening Wire	....	(10 bid 12½ asked)			
‡1.25	1.25	10c	...	Growers' Wine	....	(— bid — asked)			
2½	2	.	...	Gurd, Chas.	....	(2 bid 2½ asked)			
‡107½	106½	.	...	Do. pref.	....	(— bid 90 asked)			
3½	2½	.	...	Gypsum, Lime	780	3½	3½	2¾	2¾

H, I

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
14½	14½	1	...	Halifax Fire	100	..	14½	14½	14½
3¾	2	.	...	Ham. Bridge	170	3½	3½	2½	3
36	28	2+2▴	6.7	Ham. Cot., pf.	....	(— bid 32 asked)			
1.50	.70	.	...	Ham. U. Theat.	4	.75	.70	.70	.70
75	75	5	6.7	Do. pref.	30	75	75	75	75
3½	3	20+10c	..	Harding Carpet	....	(2¾ bid 3 asked)			
1.00	.25	.	...	Hillcrest Coll.	....	(.25 bid 1.00 asked)			
2½	2½	.	...	Do. pref.	....	(2½ bid — asked)			
12	9½	‡62½c	..	Hinde & Dauch	....	(11 bid 12 asked)			
•20	20	.	...	Holt Renfrew	....	(— bid — asked)			
45	40	.	...	Do. pref.	....	(50 bid — asked)			
18	16	2	11.1	Honey Dew	10	17	18	18	18
14	10	.	...	H. Smith Pap.	110	10	11½	11½	11½
100	96½	6	6	Do. pref.	....	(97 bid 100 asked)			
9¾	7	.	...	Humberstone S.	....	(6½ bid 7½ asked)			
8½	6½	.	...	Hunts (A)	....	(— bid 7½ asked)			
8½	7	.	...	Do. (B)	....	(— bid 8½ asked)			
55	52	4	7.5	Huron & E. Mt.	....	(— bid 53 asked)			
8	7½	80c	...	Do. 20% pd.	....	(— bid 8 asked)			
1.00	.75	.	...	Hydro Electric	....	(.20 bid 1.00 asked)			
204	193	10	5.1	Imperial Bank	4	193	193	193	193
†275	275	15	...	Imperial Life	....	(— bid 275 asked)			
9½	7¾	50c	6.2	Imperial Oil	2691	7½	8½	7¾	7¾
12½	9½	40+17½c	5	Imperial Tob.	2177	9½	9¾	9½	9½
7½	6½	6%	4.5	Do. pref.	....	(— bid 7½ asked)			
9¾	6½	.	...	Indust. Accept.	40	7½	6½	6½	6½
25	22	3	...	Inter-City Bak.	150	22½	22½	22½	22½
†50	39	‡5+1	..	Inter'c Coal	....	(— bid — asked)			
‡120	120	8	...	Do. pref.	....	(— bid — asked)			
12½	11	1.50	13.3	Inter. Bronze	100	11	11	11	11
22½	20	1.50	7.5	Do. pref.	....	(21 bid 22½ asked)			
.25	.25	3c	...	Int. Coal & C.	....	(.25 bid .40 asked)			
7¾	6	.	...	Int. Metal Ind.	100	6	6½	6½	6½
99	85	6	7	Do. pref.	3	90	85	85	85
92	90	6	6.7	Do. pref. A.	....	(— bid 93¾ asked)			
115	111	5	4.4	Int. Mill., pf.	62	112½	112½	112	112
36½	30½	2	6.5	Int. Nickel	3541	32	32	30½	30½
157¾	154	7	4.5	Do. pref.	....	(— bid — asked)			
1.50	1.05	.	...	Int. Paints	....	1.00 bid 2.25 asked			
15	13	1+25c▴	6½	Do. pref.	37	13	15	15	15
16	13¾	.	...	Int. Pap. & P.	....	(— bid — asked)			
65	59½	5	8.4	Do. pref.	....	(— bid — asked)			
13½	11½	1	8.3	Int. Pete.	1201	12	12½	11¾	11¾
2½	1	.	...	Int. Power	500	2½	2½	2½	2½
90	85	7	8	Do. pref.	86	87	87	87	87
•11½	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3½	.	...	Do. (B)	....	(— bid 4 asked)			
3	3	.	...	Int. Util. (A)	....	(2½ bid 3½ asked)			
.15	.08	.	...	Do. (B)	....	(.05 bid .10 asked)			

J, K, L

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
†13	13	68c	5.3	Jam. Pub. Ser.	....	(— bid 12½ asked)			
115	100	7	7	Do. pref.	14	100	100	100	100
8½	8	.	...	Kelvinator	....	(6½ bid 8½ asked)			
10	6	.	...	L. St. John Pr.	....	(6 bid 10 asked)			
17½	16	1	5.9	Lake of Woods	102	16½	17	17	17
117½	117	7	5.9	Do. pref.	....	(— bid 117 asked)			
48	47½	4	8.4	Landed Bank	....	(47 bid 54 asked)			
12	10¾	70+30c	9	Lang, J. A.	45	12	11	11	11
•3.50	2.50	.	...	Langley's	....	(.05 bid .50 asked)			
21	20	2	...	Do. pref.	....	(20 bid 27 asked)			
10½	6½	80c	10.7	Laura Secord	85	7	8	7½	8
9½	8	.	...	Legare, pref.	30	8	8½	8½	8½
†3½	2½	30c	...	Levy Bros.	....	(2½ bid — asked)			
6	5	.	...	Lindsay, C. W.	....	(5½ bid 7½ asked)			
53½	50	.	...	Do. pref.	....	(52 bid — asked)			
25¾	20	1+25c	6	Loblaw (A)	429	20½	21	20	20
23¾	19	1+25c	6.5	Do. (B)	55	19½	19½	19	19

M

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
1.00	1.00	.	...	Mackenzie Air	....	(— bid — asked)			
2.00	.50	.	...	Mackin. Steel	....	(— bid 4 asked)			
65	60	5	8.3	Do. pref.	....	(55 bid 75 asked)			
16	14	25c	...	Maclaren Pr.	11	14	14	14	14
7	5	.	...	M. L. Gardens	....	(4 bid 8¾ asked)			
6	4½	40c	6.7	Do. pref.	2	6	5½	5½	5½
3	1½	.	...	Maple Leaf M.	100	1¾	1¾	1¾	1¾
4½	3	.	...	Do. pref.	110	3	4	3¾	3¾
15	15	80+2½c	..	Maritime Tele.	....	(14½ bid 16½ asked)			
17	17	70c	4.1	Do. pref.	....	(— bid 16½ asked)			
†18	14¾	.	...	Mascus Loew's.	....	(17½ bid — asked)			
95	95	7	7.4	Do. pref.	6	..	95	95	95
3½	2½	.	...	Massey-Harris	2379	2¾	2¾	2½	2¾
12½	10½	62½c	..	Do. pref.	1105	10½	11½	10½	11
4½	3	.	...	McColl Fron.	....	(— bid 3½ asked)			
95	83	6	7.1	Do. pref.	60	83	84½	83	83
1.00	1.00	.	...	Melchers	....	1.00 bid 2.00 asked			
6½	5½	60c	...	Do. pref.	169	6	6	6	6
3	2	.	...	Mercury Mills	75	3	3	2¾	2¾
†50	45	2.50	...	Mitchell, J. S.	....	— bid 50 (asked)			
14½	11½	1.50	10.3	Mitchell, Robt.	275	14½	14½	14½	14½
†17½	15	80+40c	8	Mod. Contain.	....	(— bid 13½ asked)			
†98	97½	5.50	5.6	Do. pref.	....	(— bid 100 asked)			
†2	1	.	...	Monarch Knit.	....	(— bid 5 asked)			
65	62	7	...	Do. pref.	....	(50 bid 64 asked)			
†65	55	4	6.7	Montreal Cot.	....	(62 bid 80 asked)			
115	111½	7	6.2	Do. pref.	....	(112½ bid — asked)			
.25	.25	.	...	Mont. Is. Pr.	....	(.50 bid 3.00 asked)			
24	19¾	1.50	7.1	Mont. L. & Pr.	5086	21½	21¾	20¾	20¾
50½	49	.	...	Do. Notes	74	49	49½	49	49½
13	13	1.25	...	Montreal Loan	....	(13 bid — asked)			
.75	.70	.	...	Mtl. Refrig & S	....	(.75 bid — asked)			
12½	11½	1.25	...	Do. pref.	....	(12¾ bid — asked)			
24½	21	*1.72	...	Montreal Tele.	40	22	21	21	21
17½	15	.	...	Montreal Trams	25	15	15	15	15
45	40	2.22+66⅔	7	Moore Corp.	370	40	40½	40	40½
178	162	7	4.3	Do. pref. (A)	....	(160 bid 167 asked)			
265	243	7	2.9	Do. pref. (B)	....	(238 bid — asked)			
.10	.10	.	...	Muirheads	....	(.10 bid .20 asked)			
1	1	.	...	Do. pref.	....	(1 bid — asked)			

N, O

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
26	24½	2	8.2	Nat. Breweries	267	24½	25	24½	24½
40	38	1.75	4.4	Do. pref.	210	38	40	38	40
4½	4½	.	...	Nat. Grocers	45	4½	4½	4½	4½
26	24½	1.50	6	Do. pref.	10	25	25	25	25
9	8	.	...	N. Sew. Pipe A	1	8¾	8	8	8
34¾	29½	2	6.7	Nat. Steel Car	465	30	30½	29¾	29¾
138	135	8	5.9	National Tr.	109	138	135	135	135
‡9½	9½	60c	...	Neon Prod.	....	(— bid — asked)			
18	15	2	12.9	Niag. W. Weav.	40	16	15½	15½	15½
2	2	.	...	Noorduyn Av.	....	(1½ bid 2¾ asked)			
.55	.25	.	...	North Star Oil	1050	.25	.55	.45	.45
3½	2¾	35c	11.7	[illegible]	....	(2¾ bid 3 asked)			
†88	86	6	6.8	N. S. L. & Pr.	....	(— bid 91 asked)			
108¾	105½	6	5.7	Do. pref.	....	(— bid — asked)			
22	20	1	4.9	Ogilvie Flour	230	20½	20¾	20½	20½
155	151	7	4.6	Do. pref.	32	151	151	151	151
110	108	5	4.5	Ontario Loan	....	106½ bid 112 asked			
†3	3	.	...	Ont. Silknit	....	(— bid 2 asked)			
30	30	‡3	...	Do. pref.	15	30	33	33	33
10	10	1	...	Do. Scripts	15	10	10	10	10
10	10	1	10	Ont. Steel	120	..	10	10	10
†110	110	7	6.4	Do. pref.	....	(108 bid 120 asked)			
†2	1	.	...	Orange Crush	....	(— bid 2 asked)			
3	1½	.	...	Do. pref.	....	(1 bid 2½ asked)			
4½	4	40c	...	Ott. Car Air	90	4	4½	4½	4½
16	12	1.20+50c		Ottawa El. Rly.	125	12	14½	13½	14½
5	4	60c	12	Ott. L. H. & Pr.	110	5	5	5	5
80	80	5	6.2	Do. pref.	....	(— bid 79 asked)			

P, Q, R

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
†35	33	3c	...	Pacific Coyle	....	(— bid 35 asked)			
103	92	5	5.3	Page Hersey	6	94½	96	94	96
†4¾	4¾	.	...	Pantepec Oil	....	(4 bid 6½ asked)			
30½	30½	2	6.6	Paton Mfg.	....	(29½ bid — asked)			
†115	115	7	6.1	Do. pref.	....	(111 bid — asked)			
48	47½	3	6.3	Penmans	15	48	47½	47½	47½
124	121	6	4.9	Do. pref.	3	122½	121	121	121
5	5	.	...	People's Cr Sec	140	5	5	5	5
14½	11	1	9.1	Photo Eng.	....	(11 bid 13 asked)			
98½	96	7	7.2	Porto Rico Pr. p	21	98½	98	98	98
4½	3	30c	...	Power Corp.	245	3	3½	3	3
82	73½	6	8.1	Do. pref.	95	73½	75	74	74
33½	32	3	8.9	Do. 2nd pref.	....	(32 bid 34 asked)			
4¾	3½	.	...	Pressed Metals	10	3½	4	4	4
11	8	.	...	Price Bros.	1275	8½	8¾	8	8
70	65	5.50	7.8	Do. pref.	10	65	70	70	70
6	4½	40c	8.7	Prov. Transport	90	5	5	4½	5
13	11	1	7.8	Quebec Power	40	12½	13	12½	12½
4	4	.	...	Que. Telephone	76	4	4	4	4
†30	24	2	6.7	Real Estate L'n	....	(24 bid — asked)			
3½	3	25c	...	Regent Knit	....	(3 bid 4 asked)			
18	15½	1.60	9	Do. pref.	150	18	18	18	18
3½	3	.	...	Reliance Grain	....	(3½ bid — asked)			
66	66	6.50	9.8	Do. pref.	....	(66 bid — asked)			
22	17¾	2	11.3	River S. Mill.	....	(18 bid 24 asked)			
8	6½	60c	8.6	Rolland Pap.	....	(6½ bid 7 asked)			
94	90	6	6.7	Do. pref.	50	90	90	90	90
155	147½	8	5.3	Royal Bank	27	150	150½	150	150½
15¾	15	80c	5.3	Russell Indust.	....	(— bid 15 asked)			
150	130½	7	5.4	Do. pref.	....	138½ bid 150 asked			

S

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
106	105	5.50	5.2	Saguenay Pr. p.	158	106	106	105	106
24½	24½	1	4.1	Sangamo	....	(20 bid 26 asked)			
6½	6	.	...	Sarnia Br. (A)	....	(7 bid 8 asked)			
1	1	.	...	Do. (B)	....	(1 bid 2 asked)			
..	..	1+50c	...	Scythes & Co.	....	(15 bid 19½ asked)			
..	..	1.75	...	Do. pref.	....	(25 bid — asked)			
14	12	90c	6.7	Shawinigan Pr.	877	13½	14	13½	13½
13½	12½	30c	...	Sher. Wms.	....	(— bid 13½ asked)			
115½	110	7	6.4	Do. pref.	....	(— bid 115 asked)			
8	6	40c	6.2	Silverwoods	4	6	6½	6½	6½
6½	6	40c	6.7	Do. pref.	465	6	6	6	6
9	7	60+15c	8.3	Simon & Sons	175	9	9	9	9
106	105	7	6.7	Do. pref.	....	(— bid — asked)			
7½	4	.	...	Simpson, A.	....	(— bid 7½ asked)			
2.00	1.60	.	...	Do. (B)	....	(— bid 2½ asked)			
89	75	6.50	8.5	Do. pref.	58	76½	76½	75	76½
†135	132	6	4.4	Simpson, R., pf.	....	138½ bid 150 asked			
9½	6¾	80c	8.9	So. Can. Pr.	70	9	9	9	9
103½	99½	6	5.8	Do. pref.	15	102½	103	102½	102½
2.00	1.00	.	...	St. Law. Corp.	410	1.40	1.40	1.25	1.25
15½	12	1	7.8	Do. (A)	225	13	13	12	12
25	22	1.40+50c		St. Law. Flour	45	22	25	25	25
122	116	7	5.7	Do. pref.	....	(120 bid — asked)			
43	35	3	8.6	St. Law. Pap. p	331	37	37	35	35
11	9	‡1.25	...	Stand. Chem.	25	10	10	10	10
†5	1	.	...	Stand. Clay	....	(2 bid 10 asked)			
.50	.40	.	...	St. Pav. & Mat.	105	.50	.40	.40	.40
5	4	‡62½c	..	Do. pref.	....	(4 bid 5 asked)			
3½	3	20c	6	Stand. Radio	75	3½	3½	3½	3½
20	13¾	60+60c	9	Stedman Bros.	....	(13¾ bid 17 asked)			
63½	57	3	5	Steel of Can.	242	60	61	59½	59½
70½	66½	3	4.4	Do. pref.	110	68	68	67	68
3	3	.	...	Sterling Coal	5	..	3	3	3
†.15	.15	.	...	Stop & Shop	....	(— bid .30 asked)			
13½	11½	80+50c▪		Stuart, D.A., pf.	....	(— bid 13½ asked)			
‡3	2½	.	...	Supersilk H. A.	....	(— bid 2 asked)			
†3	2½	.	...	Do. (B)	....	(— bid 3 asked)			
†70	70	5	7.2	Do. pref.	....	(— bid 73 asked)			
19	19	1+25c	6.6	Sup. Pete. ord.	....	(19 bid 21½ asked)			
20	20	1+25c	6.2	Do. com.	....	(18½ bid 32 asked)			

T, U, V

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
11½	9	80c	7.8	Tamblyn	35	10	10½	9	10½
52¾	52½	2.50	4.8	Do. pref.	....	(52½ bid — asked)			
1.25	1.25	.	...	Thayers	....	(1.25 bid — asked)			
24	24	3.50	...	Do. pref.	....	(20 bid 35 asked)			
1	1	.	...	Thrift Stores	....	(1 bid 2½ asked)			
13	10	.	...	Do. pref.	30	11	13	13	13
8½	6¾	60c	8.9	Tip Top Tailors	....	(6¾ bid — asked)			
106	99	7	7	Do. pref.	10	99	100	100	100
†1.50	1.00	.	...	Tooke Bros.	....	(1.00 bid — asked)			
13½	12	.	...	Do. pref.	25	12	13½	13½	13½
20	20	1	5	Tor. Elevators	....	(16 bid 20 asked)			
50	48	2.62½	5.4	Do. pref.	11	49½	48	48	48
76	68	4	5.7	Tor. Gen. Tr.	11	70	70	68	68
84½	68	5	7	Toronto Mtge.	....	(70 bid 77 asked)			
151	147	7	4.6	Tuckett Tob. p.	....	146½ bid 155 asked			
3½	1	.	...	Twin City	....	(2½ bid — asked)			
28½	28½	.	...	Do. pref.	....	(— bid — asked)			
10¾	7½	80+20c	12	Union Gas	945	7½	8½	7½	8
†13½	12	80c	6.2	Un. Amuse. A.	....	(12 bid — asked)			
†13½	13	80c	5.9	Do. (B)	....	(12 bid — asked)			
1.20	.75	10c	...	United Distill	....	1.00 bid 1.10 asked			
36	30	3	9.7	United Fuel, pf.	19	32	34	30	30
3¾	2½	.	...	Do. pref. B.	66	3	3	2½	2½
2½	1	.	...	United Secs.	....	(2 bid — asked)			
4½	2¾	.	...	United Steel	4445	4½	4½	3½	3½
3½	3	.	...	Viau Bisc.	....	(— bid — asked)			
52	50	5	10	Do. pref.	....	(48½ bid — asked)			

W, Y, Z

High	Low	$	%		Sales	Last Apr. 6	H	L	Cl'se
40	35	4	10.9	Wabasso Cot.	5	37	36½	36½	36½
50½	40	4	9.4	Walker-Good.	340	43	44	42	42
21	18½	1	5.3	Do. pref.	200	18¾	18¾	18½	18¾
1.05	1.00	5c	...	Walkerville Br.	....	1.05 bid 1.10 asked			
‡135	120	7	...	W. Koot. Pr. pf	....	(133½ bid — asked)			
1.10	1.00	.	...	West. C. Flour.	100	1.00	1.00	1.00	1.00
24	18	.	...	Do. pref.	....	(21 bid 23 asked)			
51	48	3+2	10.4	West Grocers	7	51	48	48	48
111	109	7	6.4	Do. pref.	....	(110½ bid — asked)			
‡15½	11¾	50c	...	W'minster Pap.	....	(— bid — asked)			
11½	9½	80c	7.8	Weston Ltd.	320	10	10½	10	10
94½	94	5	5.3	Do. pref.	....	(86 bid 95 asked)			
16½	15½	1	6.2	Wilsils	....	(— bid 16½ asked)			
1.15	.65	.	...	Winnipeg El. A.	135	.75	.85	.80	.85
1.25	.65	.	...	Do. (B)	107	.95	.80	.65	.65
8	5½	.	...	Do. pref.	15	7	6½	6	6½
80	70	7	10	Wood A. & J. p	....	(— bid 80 asked)			
60	55	.	...	Woods Mfg. pf.	....	(56 bid — asked)			
5	4½	40c	...	York Knitting	....	(— bid 5½ asked)			
•100	100	7	...	Do. 1st pref.	....	(— bid — asked)			
11½	11	80c	7.1	Zellers	25	11	11½	11½	11½
25	24½	1.50	6.1	Do. pref.	30	24½	24½	24½	24½

Quotations: †1941. § 1940. • 1939. ° 1938.
▴ On account of arrears.
▪ Participating. ‡ Paid in 1941.
° Net after corporate income tax.

Mining Stocks

Week Ending April 13

A

Par Val.	Range 1942 High	Low	Company	Sales	Close Apr. 6 (or last)	High for week	Low for week	Close Apr. 13
No	.16½	.09	Aldermac	6,600	.09	.10	.09	.09
1	.00¾	.00½	Amm Gold	......	(.00½ bid	.00¾ asked)		
No	2.55	1.75	Anglo-Huronian	330	1.85	1.90	1.75	1.75
No	*.40	.30	Argus Interests	......	(.25 bid	.40 asked)		
No	†.03	.01	Arno	......	(.... bid	.02 asked)		
1	.10	.03½	Arntfield	2,000	.04½	.04½	.03½	.03½
1	.04½	.02½	Ashley	......	(.03½ bid	.04½ asked)		
1	.02	.01½	Astoria Quebec	1,000	.01½	.02	.02	.02
1	1.47	.95	Aunor Gold	2,600	1.03	1.02	.95	.95

B

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	.06	.05	Bagamac	2,000	.05½	.05½	.05½	.05½
1	.05½	.02½	Bankfield	500	.04	.04	.04	.04
No	.09½	.06	Base Metals	1,500	.06½	.07½	.07	.07
1	.06½	.02½	Bear Exploration	15,000	.03	.03	.03	.03
1	.94	.58	Beattie Gold	2,200	.66	.68	.58	.58
1	.03	.02½	Beaufor	3,700	.03	.03	.02½	.03
1	.65	.60	Berens River	......	(.35 bid	.80 asked)		
1	.10	.04½	Bidgood Kirk.	4,600	.06	.05½	.05	.05½
1	.09	.06	Bobjo	8,200	.07	.08	.07	.07
1	.32½	.10	Bonetal Gold	2,453	.16	.15	.10	.14
1	.02	.01½	Bouscadillac G.M.	......	(.01½ bid	.02½ asked)		
No	9.30	7.00	Bralorne	585	7.40	7.55	7.40	7.40
1	*.03	.02½	Brazil Gold	......	(.... bid	.02½ asked)		
1	*.01½	.01½	Brett Trethewey	......	(.00½ bid	.... asked)		
1	.61	.36	Broulan Porc.	3,800	.37	.40	.38	.40
1	2.80	1.75	Buffalo Ankerite	310	1.80	1.80	1.75	1.75
No	.02½	.01	Buffalo Can.	......	(.01½ bid	.02½ asked)		
5	12.50	5.00	Bulolo Gold	101	6.50	6.25	5.00	5.00
No	*.03	.01	Bunker Hill	......	(.01 bid	.... asked)		

C

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	*.11	.05	Camp Bird	......	(.... bid	.... asked)		
No	.49	.28	Can. Malartic	5,275	.30½	.31	.28	.28
1	1.72	1.00	Cariboo Gold	325	1.00	1.05	1.00	1.05
1	.01	.00½	Cartier Malartic	......	(.00½ bid	.... asked)		
1	.56	.45	Castle Trethewey	2,550	.53	.56	.56	.56
1	.05	.05	Cen. Cadillac	......	(.... bid	.04 asked)		
1	1.30	.90	Cen. Patricia	6,450	.96	.94	.90	.90
1	.10½	.06	Cen. Porcupine	1,600	.06	.06½	.06½	.06½
1	*.18½	.15	Century Mining	......	(.... bid	.13½ asked)		
1	1.50	.95	Chesterville	2,840	1.05	1.10	.96	.96
No	2.20	1.50	Chromium	115	1.75	2.00	1.50	2.00
5	1.10	.95	Coast Copper	......	(.... bid	1.00 asked)		
1	.62	.46	Cochenour Willans	3,600	.50	.52	.46	.48
5	1.15	1.00	Coniagas	......	(.75 bid	.... asked)		
No	.94	.60	Coniaurum	1,505	.67	.68½	.65	.67
5	39.00	37.37	Cons. Smelters	1,226	38.25	38.25	37.63	38.25

D, E

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	.65	.26½	Delnite	1,500	.40	.34	.26½	.26½
1	.04½	.02½	Denison Nickel	10,500	.02½	.04½	.04	.04
No	17.50	11.00	Dome Mines	1,457	12.00	12.50	11.00	11.00
1	.10	.03	Duquesne	2,000	.03	.03	.03	.03
1	2.22	1.25	East Malartic	3,877	1.40	1.45	1.35	1.36
1	.49	.32	Eldorado	12,200	.39	.44	.39	.44

F, G

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
No	3.60	2.87	Falconbridge	825	3.00	2.97	2.87	2.87
1	.02½	.01½	Federal	4,000	.01½	.01½	.01½	.01½
No	.42½	.20	Francoeur Gold	600	.22	.21	.20	.21
1	.03½	.02	Gillies Lake	......	(.03 bid	.04 asked)		
1	.01	.00½	Glenora	......	(.01 bid	.... asked)		
No	.20	.10	God's Lake	3,600	.11	.10½	.10	.10
1	.11½	.07½	Goldale	3,500	.09½	.11½	.09½	.11
50c.	.13	.13	Gold Belt	......	(.13 bid	.... asked)		
1	.05½	.03½	Gold Eagle	......	(.03 bid	.05 asked)		
1	.04½	.01½	Golden Gate	36,000	.01½	.02	.01½	.01½
1	.00½	.00½	Goodfish	......	(.00½ bid	.01 asked)		
1	*.02½	.01½	Graham Bosquet	......	(.01½ bid	.02 asked)		
No	.04½	.03½	Grandora	......	(.04 bid	.05 asked)		
1	.02	.01½	Grull Wihksne	......	(.01½ bid	.02 asked)		
1	.14	.07½	Gunnar Gold	......	(.07½ bid	.08½ asked)		

H, I, J

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	.03	.01½	Halcrow Swayze	1,000	.02	.01½	.01½	.01½
1	.00½	.00½	Halliwell Gold	......	(.00½ bid	.01 asked)		
1	3.00	2.00	Hallnor Mines	......	(1.90 bid	2.00 asked)		
1	.55	.33	Hard Rock	1,400	.37	.40	.38	.38
1	.02½	.01½	Harker	......	(.01½ bid	.03 asked)		
1	*.55	.43	Hedley Mascot	......	(.... bid	.45 asked)		
5	10.50	6.65	Hollinger	2,000	7.65	8.00	7.25	7.25
1	.20	.13	Howey Gold	1,050	.15	.15	.15	.15
No	28.12	23.00	Hudson Bay	2,972	25.00	25.25	23.00	23.00
1	.30	.20	Inspiration	500	.20	.24	.24	.24
No	36.25	30.25	Int. Nickel	3,541	32.00	32.00	30.25	30.50
50c.	*1.30	.85	Island Mountain	......	(.... bid	1.35 asked)		
1	.01½	.01	Jacola	......	(.... bid	.01½ asked)		
1	.20	.08½	Jack Waite	1,000	.09	.08½	.08½	.08½
1	.29½	.15	Jason Mines	3,500	.18	.18	.18	.18
1	.02½	.02	Jellicoe	......	(.02½ bid	.02½ asked)		
1	.01	.00½	J. M. Cons. Gold	......	(.00½ bid	.... asked)		
1	.03½	.01½	Joliet Quebec	500	.01½	.02	.02	.02

K, L

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	4.35	2.93	Kerr Addison	6,590	3.40	3.50	3.25	3.25
1	.22	.22	Kerr Lake	......	(.... bid	.... asked)		
1	.05	.01½	Kirk. Gold Rand	......	(.01 bid	.03 asked)		
1	.26	.20	Kirk. Hud. Bay	200	.20	.20	.20	.20
1	.62	.45	Kirkland Lake	4,020	.48	.49	.46	.46
1	12.00	7.10	Lake Shore	1,680	7.40	7.60	7.25	7.25
No	4.15	3.15	Lamaque Gold	......	(3.20 bid	3.50 asked)		
1	.09	.04	Lapa Cadillac	......	(.04½ bid	.... asked)		
1	.01½	.00½	Lebel Ore	......	(.00½ bid	.01½ asked)		
1	.52	.38	Leitch Gold	2,850	.45	.45	.45	.45
No	1.35	.90	Little Long Lac	2,025	.93	.97	.90	.95

M

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	2.85	2.07	Macassa	2,960	2.30	2.38	2.15	2.15
1	1.68	1.15	MacLeod Cockshutt	5,100	1.20	1.25	1.15	1.15
1	.51½	.38	Madsen Red Lake	8,400	.45	.49	.42	.42
1	2.22	1.15	Malartic Gold	8,302	1.33	1.42	1.33	1.34
No	.25	.20	Mandy	300	.25	.23	.23	.23
No	.00½	.00½	Man. & Eastern	......	(.00½ bid	.00½ asked)		
1	.02½	.01½	Maralgo	3,000	.01½	.01½	.01½	.01½
5	45.50	37.00	McIntyre	78	39.00	39.25	39.25	39.25
1	1.04	.60	McKenzie R.L.	3,400	.66	.70	.60	.60
1	.02½	.01½	McLellan Gold	3,500	.01½	.01½	.01½	.01½
1	.05	.04	McVittie Graham	3,700	.04	.04	.04	.04
No	.10	.08	McWatters	......	(.08 bid	.... asked)		
5	*.20	.15	Mentor Exploration	......	(.15 bid	.42 asked)		
No	1.40	1.00	Mining Corp.	350	1.00	1.03	1.00	1.00
1	1.05	.05	Moffatt Hall	......	[illegible]			
1	.28	.21	Moneta	3,500	.26	.26	.25	.25

N, O

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	.23	.11	Naybob	12,800	.15	.14	.11	.11½
1	.50	.32	Negus Mines	......	(.30 bid	.40 asked)		
5	1.04	.75	Nipissing	......	(.82 bid	.... asked)		
No	52.00	41.00	Noranda	1,137	43.50	43.75	41.25	42.75
No	.25	.16	Nor. Canada	1,000	.18	.18	.18	.18
1	.04	.03	Norgold	1,500	.03	.04	.03½	.04
No	.90	.64	Normetals	2,200	.65	.68	.65	.65
1	*5.00	3.75	Northern Empire	......	(2.00 bid	.... asked)		
1	.91	.53	O'Brien	2,550	.58	.65	.59	.59
1	.10	.05½	Omega	6,000	.08	.08½	.08	.08½
1	.12	.06½	Ontario Nickel	212,050	.09½	.12	.09½	.12
1	.06	.04	Osisko	......	(.02 bid	.03 asked)		

P, Q, R

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
No	.90	.55	Pamour	4,700	.60	.60½	.55	.56
1	.04	.03	Pandora	400	.03½	.04	.04	.04
1	.02	.01	Partanen Mal.	2,000	.01½	.01½	.01½	.01½
1	3.00	2.00	Pato Cons. G.	......	(2.00 bid	2.20 asked)		
1	.00½	.00½	Pawnee Kirk	......	(.00½ bid	.01 asked)		
1	.17	.10	Paymaster	7,600	.12½	.14	.13	.13½
1	1.75	1.20	Pend Oreille	500	1.30	1.30	1.25	1.25
1	1.35	1.00	Perron Gold	700	1.15	1.15	1.10	1.11
1	2.35	1.65	Pickle Crow	3,375	1.80	1.82	1.70	1.77
1	2.20	1.40	Pioneer Gold B.C.	1,025	1.49	1.53	1.50	1.50
1	4.25	4.25	Placer Devel.	50	......	4.25	4.25	4.25
1	.78	.42	Powell Rouyn	2,000	.54½	.57	.54	.54
1	.60	.37	Premier Gold	6,800	.38	.40	.37	.39½
1	3.20	1.64	Preston E. Dome	8,750	1.85	1.95	1.82	1.87
No	.20	.15	Prospectors Air's	......	(.10 bid	.20 asked)		
1	.25	.20	Quebec Gold	......	(.... bid	.... asked)		
1	.39	.12	Queenston Gold	5,500	.17	.17	.12	.12
No	.06	.02	Quemont	......	(.03 bid	.05 asked)		
No	.00½	.00½	Red Crest	......	(.... bid	.03 asked)		
1	.45	.40	Reeves McDonald	......	(.... bid	.55 asked)		
1	.22	.03	Reno Gold	3,300	.21	.23	.03	.03
1	.02½	.02	Roche Long Lac	500	.02½	.02½	.02½	.02½

S, T, U, V, W, Y

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	2.05	1.35	San Antonio	1,015	1.51	1.50	1.45	1.45
1	.02½	.01½	Sand River	......	(.01 bid	.02 asked)		
1	.18	.09	Senator Rouyn	13,500	.10	.09½	.09½	.09½
1	.01½	.01	Shawkey	......	(.01 bid	.03 asked)		
50c.	.83	.70	Sheep Creek	......	(.66 bid	.... asked)		
1	.98	.65	Sherritt Gordon	3,102	.75	.75	.70	.73
1	6.00	4.25	Sigma Mines	310	4.80	4.75	4.50	4.50
1	.50	.35	Siscoe	4,350	.37	.37½	.36	.36
1	.33	.18½	Sladen Malartic	2,000	.20	.19½	.18½	.18½
1	.06	.01	Slave Lake	40,050	.01½	.02½	.01	.01½
1	.04	.02	St. Anthony	1,000	.02	.02	.02	.02
No	1.96	1.35	Steep Rock	3,500	1.55	1.62	1.53	1.58
No	.01½	.01	Straw Lake	4,500	.01	.01	.01	.01
1	.13½	.10	Sturgeon River	5,000	.11	.11½	.10½	.10½
No	1.56	1.23	Sudbury Basin	1,018	1.30	1.35	1.23	1.23
1	.02½	.01½	Sudbury Contact	......	(.02 bid	.03½ asked)		
1	.61	.50	Sullivan Cons.	3,000	.52	.54	.51	.53
1	1.98	1.15	Sylvanite	1,400	1.30	1.30	1.25	1.27
1	2.34	1.62	Teck Hughes	3,250	1.73	1.74	1.62	1.68
1	.03½	.03	Temiskaming	......	(.03 bid	.04 asked)		
1	1.10	.80	Toburn Gold	800	.80	.82	.80	.80
1	.13	.09	Towagmac	500	.09	.09	.09	.09
No	.50	.30	Trans. Resources	......	(.35 bid	.44 asked)		
1	.05	.03½	Uchi Gold	......	(.03½ bid	.04 asked)		
.	40.00	20.00	Uchi Bonds	$2,000	35.00	20.00	20.00	20.00
1	1.24	.68	Upper Canada	4,500	.75	.76	.72	.72
No	3.70	2.95	Ventures	636	3.30	3.25	2.95	3.05
No	4.80	4.00	Waite Amulet	936	4.10	4.25	4.00	4.20
1	.15	.11	Wendigo	......	(.07 bid	.09 asked)		
1	.01½	.00½	Wiltsey Coughlan	......	(.00½ bid	.... asked)		
1	.04	.02½	Wood Cadillac	500	.02½	.02½	.02½	.02½
No	2.90	1.90	Wright-Hargreaves	4,605	1.95	2.00	1.91	1.91
No	.05	.03½	Ymir Girl	......	(.03½ bid	.04½ asked)		

Oil Stocks

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
No	.10	.03	Acme Gas & Oil	1,000	.03	.06	.06	.06
1	.07½	.06	Alta. Pac. Cons.	......	(.06 bid	.... asked)		
1	.12	.09	Ajax	1,500	.10	.11	.10	.10
No	.56	.32	Anglo Canadian	2,850	.35	.42½	.39	.40
No	.29	.18½	Br. Dominion	67,275	.28	.28	.24½	.26
No	.07	.04	Brown Oil	7,786	.04½	.05½	.04½	.04½
No	1.20	.95	Calgary & Ed.	4,525	.98	1.00	.95	.99
1	.18	.11	Calmont	1,400	.14	.12	.11	.12
No	.22	.19	Commoil	......	(.16 bid	.20 asked)		
No	.30	.20	Common Pete.	500	.22	.20	.20	.20
No	.30	.12	Dalhousie	190	.15	.16	.12	.16
No	.17½	.13	Davies Pete.	3,300	.13	.13	.13	.13
No	.04	.02	East Crest	......	(.01½ bid	.04 asked)		
No	*.30	.20	Federated Pete.	......	(.... bid	.25 asked)		
No	.85	.60	Foothills	......	(.55 bid	.70 asked)		
50c.	.01	.01	Grease Creek Pete	......	(.... bid	.02 asked)		
No	†.08	.04	Hargal	......	(.... bid	.10 asked)		
No	.20	.10	High Sarcee	500	.12	.10	.10	.10
No	2.70	2.31	Home	12,278	2.36	2.52	2.35	2.45
1	.06	.02	Homestead O. & G.	53,500	.04½	.06	.04	.05½
No	.04	.03½	McD. Segur	......	(.02½ bid	.05½ asked)		
1	.19	.13	Model	2,000	.13	.19	.19	.19
25c.	.04	.04	National Petroleum	......	(.... bid	.05 asked)		
1	.05	.03½	Nordon	1,000	.04½	.04½	.04½	.04½
No	.03	.01½	Oil Selections	1,500	.02½	.02½	.02½	.02½
No	.40	.22	Okalta	2,300	.22	.24	.23	.24
No	.03½	.02½	Pacalta	8,500	.02½	.02½	.02½	.02½
1	*.27	.15	Pacific Petroleum	......	(.... bid	.35 asked)		
No	.25	.25	Petrol Oil & Gas	......	(.... bid	.50 asked)		
No	19.75	16.50	Royalite	......	(.... bid	18.00 asked)		
No	.05	.02½	South End	1,000	.03½	.03½	.03½	.03½
No	.17	.15	South West Pete.	......	(.... bid	.... asked)		
5	1.60	.90	Texas Can.	220	.90	.90	.90	.90
No	.04½	.03½	United Oils	......	(.03½ bid	.04 asked)		
1	.11	.05½	Vermilata	13,700	.06½	.09	.07	.08½
1	.22	.15	Vulcan	......	(.08 bid	.20 asked)		

Vancouver Stocks

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	.05½	.03	Bayonne Cons.	......	(.03 bid	.04 asked)		
No	9.20	7.20	Bralorne	315	7.30	7.40	7.30	7.40
1	*.00½	.00½	Bridge River Cons.	......	(.... bid	.... asked)		
1	1.74	1.00	Cariboo Gold	600	1.02	1.05	1.05	1.05
No	.01	.00½	Dentonia	......	(.00½ bid	.... asked)		
No	.00½	.00½	Fairview Amal.	......	(.... bid	.00½ asked)		
1	.10	.10	George Copper	......	(.12½ bid	.... asked)		
1	.06½	.05	Golconda	......	(.05 Mar. 30)			
50c.	.16	.15	Gold Belt	......	(.14 bid	.15 asked)		
50c.	.18	.14	Grandview	300	.16	.15	.15	.15
1	.03½	.01½	Grull Wihksne	1,000	.02	.01½	.01½	.01½
1	.35	.25	Hedley Mascot	900	.26	.26	.25	.26
No	.00½	.00½	Home Gold	......	(.00½ bid	.00½ asked)		
1	.01½	.01½	Indian Mines	......	(.01½ Mar. 24)			
50c.	1.06	.96	Island Mountain	1,071	.96	1.02	1.02	1.02
1	.30	.28	Inter'tl Coal	......	(.29 bid	.34½ asked)		
50c.	.22	.15	Kootenay Belle	......	(.17 bid	.18 asked)		
1	.20½	.20	McGillivray Creek	2,000	.20	.20½	.20½	.20½
No	.01	.00½	Minto Mines	......	(.00½ bid	.01 asked)		
50c.	.02	.01½	Nicola	......	(.... bid	.01½ asked)		
1	.10	.08	Pacific Nickel	325	.08	.10	.08	.10
1	1.75	1.24	Pend Oreille	......	(1.15 bid	.... asked)		
1	2.15	1.48	Pioneer Gold	1,000	1.50	1.50	1.48	1.48
No	.01½	.01	Premier Border	13,000	.01	.01	.01	.01
1	.60	.38	Premier Gold	100	.38	.40	.40	.40
No	.60	.29	Privateer Mines	2,100	.29½	.30	.29	.29½
1	.02	.01	Quatsino Copper	......	(.01 Mar. 21)			
1	.50	.35	Reeves McDonald	100	.39	.35	.35	.35
1	.22½	.02	Reno Gold	4,000	.22½	.03	.02	.03
50c.	.00½	.00½	Salmon Gold	......	(.... bid	.01 asked)		
50c.	.84	.68	Sheep Creek	800	.74	.70	.68	.68
1	.71	.60	Sibak Premier	......	(.69 bid	.70 asked)		
No	*.00½	.00½	Silvercrest	......	(.... bid	.... asked)		
50c.	.06	.06	Surf Inlet	......	(.06 bid	.... asked)		
No	*.03	.02	Taylor Bridge	......	(.... bid	.04 asked)		
20c.	.02½	.01	Wellington	4,000	.01	.01½	.01½	.01½
1	.04½	.02	Whitewater	......	(.02 bid	.02½ asked)		
No	*.08	.03½	Ymir Yankee Girl	......	(.... bid	.... asked)		

Oil Quotations

Par Val.	High	Low	Company	Sales	Close Apr. 6	High	Low	Close Apr. 13
1	.07	.05½	Alta. Pac. Cons.	......	(.05½ bid	.07 asked)		
No	.55	.40	Anglo Canadian	......	(.35 bid	.41 asked)		
No	.03	.02½	Anaconda	......	(.02½ bid	.... asked)		
No	.25½	.19	Brit. Dominion	......	(.25 bid	.... asked)		
No	*.07½	.05	Brown Oil	......	(.... bid	.... asked)		
No	1.17	.95	Calgary & Ed.	3,050	.95	.98	.95	.97
1	.17	.10	Calmont	......	(.12 bid	.... asked)		
No	.23	.17½	Commoil	......	(.17 bid	.... asked)		
No	.28	.24	Commonwealth	......	(.19 bid	.26 asked)		
No	.22	.15	Dalhousie	......	(.15 bid	.... asked)		
No	.16½	.12	Davies Pete.	......	(.14 Mar. 24)			
No	.02½	.02½	East Crest	......	(.... bid	.... asked)		
No	*.36½	.21	Federated Petroleum	......	(.... bid	.... asked)		
No	.85	.70	Foothills	......	(.60 bid	.... asked)		
No	.20	.12	High Sarcee	......	(.08 bid	.12 asked)		
No	2.67	2.30	Home Oil	......	(2.35 bid	2.40 asked)		
No	.01½	.00½	Madison	......	(.00½ bid	.01½ asked)		
No	.01½	.01	Marjon Oil	......	(.... bid	.01½ asked)		
No	.04½	.02½	McD. Segur Ex.	1,500	.03	.02½	.02½	.02½
No	.04½	.03½	Mercury	......	(.03½ bid	.... asked)		
No	.07	.06	Mill City Pete.	......	(.06 bid	.... asked)		
1	.20	.16	Model	......	(.18 bid	.20 asked)		
25c.	.04	.04	National Pete.	......	(.04 bid	.04½ asked)		
1	.03	.03	Nordon	......	(.03 bid	.... asked)		
No	.40	.21	Okalta	200	.25	.21	.21	.21
No	.03	.02½	Pacalta Oil	......	(.02½ bid	.... asked)		
1	.25	.15	Pacific Petroleums	......	(.25 Apr. 1)			
No	.05½	.03	Royal Canadian	1,000	.03½	.03	.03	.03
No	†.10½	.06	Royal Crest	......	(.... bid	.... asked)		
No	18.63	16.00	Royalite	5	16.25	16.00	16.00	16.00
No	.05	.03½	South End	......	(.03½ bid	.04½ asked)		
No	.20	.15	Southwest Pete	......	(.15 Mar. 9)			
1	*.05½	.02½	Spooner	......	(.04 bid	.05½ asked)		
25c.	.09½	.08	Sunset Oil	......	(.... bid	.08 asked)		
No	.04½	.03½	United	......	(.03½ bid	.04½ asked)		
No	.04	.04	Vanalta	......	(.04 bid	.... asked)		
1	.20	.15	Vulcan	......	(.... bid	.15 asked)		

* Quotations for 1941; † 1940.

Winnipeg Stocks

(Transactions from Apr. 6 to Apr. 11)

	Sales	High for period	Low for period	Close Apr. 11
Great-West Life	2	200.00	200.00	200.00
Northern Trusts	100	7.00	7.00	7.00
Sachigo River	25	4.50	4.30	4.50
Western Steel Prod.	45	8.00	6.25	6.25
Winnipeg River Tin	1,000	.01¼	.01¼	.01¼

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Fed. Grain, c.	.35	1¼
Beav. Lumber, c	3	5	Grouped Inc.	..	4⅛
Beav. Lumber, p	101	103	Home Invest.	25¼	..
Can. Indemnity	150	..	Nor. C. Mtge. un	5⅛	..
Corr. P. Box	.60	..	Traders Bldg.	44	..
Cres. Cream., p.	..	12	United Grain	10	11½
Dom. Envel., c.	..	9	West. Brew.	1⅞	2
Dom. Envel., p.	96	96½	West. Grain, p.	..	7

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Apr. 14	18,400	6,900	193,000	......
Apr. 13	9,200	7,300	150,000	3,654
Apr. 11	5,800	8,000	99,000	6,225
Apr. 10	8,300	3,600	120,000	6,895
Apr. 9	11,300	3,300	138,000	3,300
Apr. 8	9,500	2,700	145,000	15,171

Government Bonds

April 8, 1942

(Supplied by Investment Dealers' Assoc. of Canada)

Dominion of Canada Bonds

%	Due	Bid	Ask.	Approx. Yld.
3	Oct. '42	101½	101¾	.41
2½	June '43	101¼	101¾	1.04
5	Oct. '43	104¾	105¼	1.47
2	June '44	100¾	101¼	1.42
1½	Sept. '44	99½	100	1.50
a2½	Jan. '44	99½	99¾‡	2.52
4½	Oct. '44	106¾	107¼	1.62
2½	Nov. '44	102	102½	1.52
a2½	Aug. '45	98½	99‡	2.81
a4	Oct. '45	103½	104	b1.44
2	Mar. '45	100½	101	1.65
2	Dec. '46	99½	99¾	2.05
4½	Feb. '46	108¾	109¼	1.96
2½	Mar. '48	99½	100	2.25
3½	June '49	102¾	103¼	b2.36
3½	Oct. '49	102	102¾	b2.39
3½	Nov. '51	101¾	102½	b2.84
3½	Feb. '52	101½	102¼	‡2.93
a5	May '52	100½	101‡	...
4	Oct. '52	105¼	106¼	b2.75
a3	June '51	99½	100½	3.07
3	Oct. '52	99	99¾	3.03
3	June '55	99½	100	3.00
4½	Nov. '56	107	107¾	b2.70
a3	Mar. '54	99½	100	3.07
4½	Nov. '57	107¾	108¾	b2.80
3	June '58	99	100¾	2.92
4½	Nov. '58	109	109¾	b2.86
4½	Nov. '59	110	110¾	b2.91
a4	Oct. '60	104½	‡105½	b3.29
a3½	Jan. '61	98½	99‡	3.32
3½	June '66	101	101¾	b3.10
a3e	Jan. '67	95½	95¾‡	3.25
a3e	Nov. '68	95½	95¾‡	3.23
†3	Perpet'l.	94½	95	3.16

Dominion Guarant'd Bonds
Can. Nat'l. Railways:

%	Due	Bid	Ask.	Approx. Yld.
2	Feb. '43	100½	101	.95
2½	Jan. '46	100¾	101¼	1.85
3	May '44	102¾	103¼	1.50
3	Dec. '50	99½	100	3.00
3	Jan. '59	98½	99	3.08
*4½	Sept. '51	118	119	2.25
*4½	Feb. '56	118½	119¾	2.78
4½	July '57	118½	119¾	2.91
3	Feb. '53	98½	99½	3.03
4¾	June '55	120	121½	2.82

%	Due	Bid	Ask.	Approx. Yld.
5	Feb. '54	117¾	118¾	3.12
*5e	July '69	118½	119½	...
*5e	Oct. '69	122½	124	b2.15
*5e	Feb. '70	122½	124	b2.26

Grand Trunk Pacific Rly.:

%	Due	Bid	Ask.	Approx. Yld.
3	Jan. '62	101	102	2.87

Provincial Gov't. Bonds
New Brunswick:

%	Due	Bid	Ask.	Approx. Yld.
3	Oct. '51	92	94	3.75
3½	Aug. '49	94	96	3.88
3½	June '56	94	96	3.87
c4	Nov. '47	104	106	b2.25
c4½	Apr. '61	106½	108½	3.87
c5	Jan. '60	109½	111½	4.09

Nova Scotia:

%	Due	Bid	Ask.	Approx. Yld.
3	Jan. '52	96½	98	3.23
3½	June '56	99½	100	3.25
3½	Nov. '50	100	101½	3.30
c4½	Sept. '52	107½	109	b2.73
c4½	Nov. '60	111	113	3.55
c5	Mar. '60	117½	119½	3.54

Ontario:

%	Due	Bid	Ask.	Approx. Yld.
2½	May '45	100	101	2.17
3	Apr. '48	99½	100½	b2.86
3	Nov. '50	99	100½	3.00
3½	Nov. '51	100	102	b2.95
3½	May '55	99½	102	b3.02
*4	June '62	109	112	3.20
4½	June '50	109	110	3.13
*4½	Jan. '62	116	118	3.27
5	Oct. '48	110½	111¾	3.00
*5	Dec. '60	121½	123½	3.32
5½	July '46	109	110½	2.90

Ont. Hydro Commission:

%	Due	Bid	Ask.	Approx. Yld.
3	Aug. '48	100	101	b2.74
3½	Feb. '53	100½	101½	b3.03
3½	Apr. '47	102½	104½	2.54

Prince Edward Island:

%	Due	Bid	Ask.	Approx. Yld.
4	Mar. '54	100	102	3.80

Quebec:

%	Due	Bid	Ask.	Approx. Yld.
3	Nov. '47	98½	99½	3.10
3½	Mar. '48	99½	100½	3.15
3½	Mar. '59	99½	100½	b3.45
4	Nov. '52	102½	104	b3.46

%	Due	Bid	Ask.	Approx. Yld.
3½	Feb. '55	101	102½	b3.45
4½	Aug. '58	106	109	3.52
4½	Jan. '63	110½	112½	3.64

Alberta

%	Due	Bid	Ask.	Approx. Yld.
4½	Oct. '51	70	..	d
4½	Oct. '56	65	68	d
4	Dec. '34	63	66	d
*5	Oct. '59	68	71	d
c5½	Apr. '52	70	73	d
6	Mar. '47	72	75	d

British Columbia:

%	Due	Bid	Ask.	Approx. Yld.
c4	Dec. '57	101	103	3.73
*4½	Jan. '51	104½	107½	3.50
c4½	Oct. '53	106	109	3.54
c5	Apr. '54	111	113	3.65
5½	Feb. '45	103	105	3.62
6	Feb. '47	106	108	4.15

Manitoba:

%	Due	Bid	Ask.	Approx. Yld.
c4	Dec. '37	97	99	4.09
c4½	Dec. '56	99	101	4.41
*5	Dec. '59	102	105	4.30
5½	Oct. '55	103½	105½	4.94
6	Apr. '47	104	106	4.64

Saskatchewan:

%	Due	Bid	Ask.	Approx. Yld.
4	Sept. '54	80	83	5.95
4	Nov. '60	79	81	5.67
c4½	Oct. '51	89	91	5.74
c4½	Mar. '60	86	88	5.57
5	Aug. '58	89	91	5.86
5½	Oct. '52	93	95	6.16
6	Mar. '52	96	98	6.30

*-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ↓-Calculated to 1950 average maturity. s-Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks

Apr. 14, 1942

(Furnished by A. J. Pattison, Jr. & Co., Toronto)

Industrials:	Bid	Ask.
Acme Farm., pf.	48	52
Andian National	27	28½
Anglo C. Tel., A	6¾	7½
Atlas Steel	18	..
Brand. Hen., c.	3½	4½
B. C. Pulp, c.	9	11
Do., pfd.	67	71
B. C. Sugar	64	67
B. C. Tel., 1st p.	105	..
Brown, com.	1¾	1½
Do., pfd.	25	26½
Burns & Co., A	4	4¾
Do., B	2	2½
Can. Co-op. Wl.	8	..
Can. Indust., A	145	..
Can. Ing. Rand	67	71
Can. Mot. L.A.B.	5½	..
Can. Tube, 1st p.	77	80
Chase, A. W., p.	18	19½
Colonial Realty	2½	..
Colonial Steam.	35	37½
Corr. Pap. Box c	1	2
Copeland Fl. un.	12½	15
Dunlop T. p. $25	18	20
Easy Wash. p $10	9½	10¾
Galt Brass, c.	9	..
Goderich Elev.	6	7
Guard. Realty, p	12½	15½
Guelph Carp., c	16¾	18½
Gurney Fdry., p	1½	1¾
Hayes Steel, c.	14½	15¾
Hi'land Dairy, p	45	49
Inglis, John	3¾	4½
Ingram & Bell, p	92½	..
Kingst. Ship., un	37	39
Do., com.	6½	7½
Loblaw, Inc., c.	11½	12½
Minn.&Ont. P. c	3¾	3¾
M'row Screw, p.	101	105
Do., com.	12½	16
Morrison Br. un	4½	5½
Moirs, Ltd.	18	21

	Bid	Ask.
Neilson, Wm., p.	101	..
N. Meth. Ldy., p	62	..
Ont. Tobacco, p.	17	19
Pac. C. Term., c.	..	6
Prov. Paper, pf.	100	102
Quinte Milk	2½	3½
Stand. Fuel, p.	50	53½
Do., com.	..	1½
Stedman, pf. $50	53	56
Sutton Horsley	½	1
Tor. Carpet, c.	56	..
Do., pfd.	66	70
Un. F. Co-op.	2¾	3½
Un. Steel, A pf.	20½	22
Viceroy Mfg., c.	12	..
Trusts & Loan Stocks:		
Brit. Mtge.	122	132
Brockville Tr.	42	..
Capital Tr.	28	31
Comm. Fin., c.	4½	..
Grey&Br. Tr. $50	42	..
Guaranty Trust	100	104
Guelph & O. $50	50	53
Indust. Mtge.	23	..
Lambton Loan	30½	33
Midland Loan	14½	16
Premier Trust	30	37
Sherbrooke Tr.	120	..
Sterling Trust	51	56
Th. Can. Inv. Tr.	1¾	1½
Traders Fin. A c	3	5
Do., A pfd.	57	62
Trusts&Gr., new	30	34
Victoria Trust	67	70
Waterloo Trust	100	..
Insurance Stocks:		
Canada Life	345	370
Brit. Amer.	50	52
Canadian Fire	79	82
Confed. 30% pd.	125	135
Cons. Fire Cas.	3¾	..

	Bid	Ask.
Continental L.	30	35
Crown, fully pd.	270	285
Dominion Fire	137	...
D. of Can. Gen.	114	120
Empire, 25% pd.	5	6
Excelsior 40% pd	70	74
Great-West Life	200	210
Federal, 25% pd.	53	56
Halifax Fire	14½	16¾
Imperial Life	260	280
Manufac. Life	216	221
Monarch Life	33	35
National Life	10	16
Sov. L. 25% pd.	12½	14
Sun Life	220	240
Tor. General	4½	5½
Wellington Fire	58	..
Western Asace.	38	40
Theatre Stocks:		
Allen's, St. Cath. units	53½	57
Do. Kings'n un	61	..
Loew's London p	2¾	3¾
Mansf. Theat., p	31	32
Para., Kitch., p.	50	..
Do., Oshawa, c	7½	9½
Investment Trust Shares:		
Can. Investors	4½	5
Inv. Found. un.	43	44½
Sec's. Hold., pf.	18½	20
United Corp., A	19½	..
Do., B	4½	5½
Power Issues:		
Can. W. N. Gas	25½	28
Do., pfd.	101	..
Gt. Lakes Pr., p	101	104
Int. Util., $1.75 p	9	13
Do., $3.50 pf.	27	..
Mtl. Isl. Pwr. p.	42½	..
Nor. Ont. Pr. p	71	75

Unlisted Mines

Toronto, April 14, 1942

	Bid	Ask
Albany R (Old)	.02	.04
(New)	.05	.10
Amal Kirk	.03	.04
Anoki	.01	.03
Aquarius	.12	.17
Arjon	.02	.04
Armistice	.03	.05
Argosy	.03	..
Area	.02	.04
Athona (New)	.00½	.01½
Barb Lard	.01½	.02½
Brock	.03	.05
Calder Bo	.02	.03
Can Rad	.06	.09
Central M	.01½	.02
Cheminis	.02	.03
Coin Lake	.01½	.02½
Cons Chib	.03	.06
Delpine	.04	.06
Desantis (New)	.05	.08

	Bid	Ask
Dona Pat	.01	.01½
Eastward	.05	.10
Elmos	.04	.07
Franco	.15	.20
Galore	.00½	.01½
Goodrock	.24	.26
Hayes Cad	.02½	.03½
Hoyle new	.09½	.11
Hugh PaP	.02½	.03½
Hutch Lke	.01	.02
Kewaga'a	..	.02
Kirk Gate	.00½	.01½
Kir Town	.04	.07
Lacoma	..	.01
Laguerre	.03	.05
Lake Duf	.18½	.20
Lake Gen	.04	.06
Lw Pete	.14	.18
Magnet C	.33	.35
Magnet L	.09	..
Martin Bir	.01	.02
Mata Can	.02	.04
Mata Con	.11	.14

	Bid	Ask
McMar'ac	.10	.12
Mof Hal n	.01	.02
Mosher	.04	.06
McManus	.00½	.02
Nat Mal	.12	.14
Nickel O	1.00	1.50
Norbeau	.15	.18
Northland (1940)	..	.02½
Norwin	.07	.08
N Ribago	.00½	.00¾
Numalake	.09	.13
Oklend	.03	.04
O'Leary M	.03	.04½
Opemiska	.05	.08
Orpit	.02	.03
Pascalis	.13	.16
Pontiac R (Old)	.03	.05
Pelangio	.01	.02½
Polaris	..	.02
Propri'y	3.00	3.50
Presdor	.02½	.03½

	Bid	Ask
Que Mn	.19	.21
Rand Mal	.10	.12
Red Lake	.00½	.01½
Ritoria	.01½	.02½
Rouge	.01	.03
S.A.G.A.	.40	.75
Sachigo	4.50	5.00
Shenango (New)	..	.06
Sheldon	.03½	.04½
Skynner	.01	.02
Smelt Gl	.00½	.01½
Springer	.08	.11
Stadacona	..	.06
Thomson	.09	.11
Union Mn	.01	.04
Wesley	.01	.01½
Y David'n	.14	.16

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Apr. 14, 1942

Public Utility Issues:	Int. Rate %	Due	Bid Apr. 14	Asked Apr. 14	Bid Apr. 7
▴Alg. Cen. H.B.R.	5	'59	13	15	13½
†Assoc. Tel. & T.	5½	'55	64	67	65½
B. C. Power	4½	'60	97½	99½	97
B. C. Tel.	4½	'61	105½	107½	105
†Calgary Pwr.	5	'60	...	108½	...
Do.	5	'64	103	105	103
†Can. Nor. Pwr.	5	'53	100½	102½	100½
*Dom. Gas & El.	6½	'45	103½	106½	100
Gatineau Pwr.	5	'49	100½	102½	100½
*Do., A	3¾	'69	99	101	99
↓Do., B	3¾	'69	99	101	99
Gt. Lakes Pwr.	4½	'56	101	103	101
Do.	5	'57	97½	100½	97
*Int. Hydro-El.	6	'44	34	37	33
▴Inter. Power	6	'55	100½	102½	100½
L. St. Law. Pwr.	5	'55	99½	101½	99
Macl'n-Que. Pr.	4	'59	100½	102½	101
Mtl. L. H. & Pr.	3½	'56	103½	105½	104
Do.	3½	'73	102	104	102
Do.	3½	'63	102½	104½	102½
†Mtl. Tramways	5	'51	101	103	100½
†Do.	5	'55	78½	81½	76
Nat. Lt. & Pwr.	6	'49	101½	103½	101½
N. S. Lt. Pr.	4	'57	101	103	101
Ottawa L.H.&P.	4	'57	101½	103½	101½
Ottawa V. Pwr.	5	'59	101	103	101
†Power Corp.	4½	'59	90½	93½	90½
Quebec Pwr.	4	'62	102½	104½	102½
*Saguenay P.	4½	'66	106½	109½	106½
↓Do., B	4½	'66	105½	108½	105½
St. Maurice Pr.	4½	'70	103	105	103
Shaw. W. & Pr.	4	'61	103	105	102½
Do.	4	'69	103	105	102½
Union Gas	4½	'50	100	103	100½
*Twin C. R. Tr.	5½	'52	81½	84½	81½
†United Secs.	5½	'52	62	..	45½
‡Wpg. El. ser. A.	5	'65	84½	87½	84
Do., B	5	'65	72½	75½	72

Industrial and Realty Issues:	Int. Rate %	Due	Bid Apr. 14	Asked Apr. 14	Bid Apr. 7
†Abitibi P. & P.	5	'53	61½	64½	74
Do., C.O.D.	5	'53	61½	64½	64
Acadia Sugar	4½	'55	101	...	101
Do.	6	'54	98½	101½	99
†Alta. Pa. Grain.	6	'46	103	105	103½
Algoma Steel	5	'48	101½	104½	101
Atlantic Sugar	4	'51	100½	...	100½
†B. C. Pulp & P.	6	'50	91½	94½	91½
‡†Do.	7	'50	107	...	105
*Brown Co.	5	'59	80½	83½	81½
Burns & Co.	5	'58	73	76	74
Canada Cement	4½	'51	102	105	102
Canada Electric	4½	'65	95½	98½	95½
Can. Paper	4½	'52	101	...	101
Can. Steamship.	5	'57	102½	104½	101½
Can. Canners	4	'51	101½	103½	101½
*Can. Int. Paper.	6	'49	106	108	106
‡Can. Locomotive	6	'53	100½	103½	100
‡†Candn. Vickers	6	'47	95½	98½	93
C. P. R.	3½	'51	97	99	97
Do.	4	'49	101	103	101½
Col. Steamships	6	'54	101	103	101
†Consol. Paper	5½	'61	70½	73½	76
Dom. Coal	4½	'52	99½	102½	99½
Dom. Scott. Inv.	4	'52	97½	100½	97½
Dom. Stl. & C.	6½	'55	105½	108½	106
Dom. Tar	4½	'51	101½	104½	101½
Dom. Woollens	6	'53	95	98	94½
†Donnacona Pap.	4½	'56	77½	80½	77½
*Dryden Pap.	6	'49	100½	103½	100½
†East. Dairies	6	'49	79	82	79
Famous Players	4½	'51	96	99	96
†Federal Grain	6	'49	101½	..	101½
†Fraser Cos.	6	'50	101½	..	101½
Galt Brass	6	'50	93	96	93
Gen. Stl. Wares	4½	'52	100½	103½	101
*Gt. L. Paper	5	'55	92½	95½	94½
*Gurney Fdry.	5	'49	86	..	87½
†Gypsum Lime	5½	'48	101½	104½	101½
Ham. By-Pr. C.	5	'55	101½	104½	101½
Do.	6	'56	100	103	100
Ham. Cotton	4½	'50	100½	102½	100½
Inter-City Bak.	5	'48	102	104	102
Indust. Accept.	4	'52	78	81	77½
Ins. Ex. Bldg.	6	'51	93½	96½	93½
*Inter. P. Nfld.	5	'68	97½	100½	97½
*Inv. Bond & Sh.	5	'47	101	..	101
†Kingston Elev.	5	'50	104½	107½	104½
Lake St. J. P.	5	'61	85½	88½	85
Do.	6	'61	60½	63½	60½
Legare	6	'51	89	92	89
Maple L. M.	6	'58	81	84	78
Man. Sugar	6	'60	100	103	100
Massey-Harris	4½	'54	99	102	94½
McColl-Fron.	4½	'49	101½	104½	101½
McCormicks	6	'48	101½	..	101½
Do.	4½	'52	104	106	104
Mercury Mills	6	'52	96	99	96
Mersey Paper	5	'57	97½	100½	97½
†Do.	6	'48	99	..	99

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Bid and asked as at Apr. 14, 1942, and change in bids, from previous week.

Miscellaneous Stocks:	Bid	Ask.	Chge.
†Allens Tor. Th., pfd.	32½	35	+½
Atlas Steels 7% pfd.	105	106½	−½
Brantford Roofing	2.35	..	+.10
*Can. Gen. Rubber, pfd.	16	22	−½
Can. Mach., new com.	8½	12	−½
C.P.R., 4% p. (£ par)	1.85	1.95	−.05
Capital Wirecloth, pfd.	18¾	22½	−½
Cawthra Apts., pfd.	2½	..	+½
Century Finance, com.	..	28	unch
Claude Neon, pfd.	1½	2½	−.15
Comm. Life, 10% pd.	6½	7½	unch
Dairy Corp., pfd.	4½	..	unch
Dom. Alloy Steel, pfd.	.05	.25	−.05
Do., com.	.05	.25	−.05
Dom. Life, 70% pd.	179	206	+1
Dover Industries	6½	6¾	+1
Eastern Steel, pfd.	20	21	unch
†Ft. Wm. Hotel, units	45	49½	−½
Hart Battery, com.	3.85	4.85	−½
Indust. Accept., 5% pfd.	61	66	−½
London & West. Trusts	31	33½	−½
Mont. Deb. Corp., pfd.	2	2.65	−.05
Mt. Royal, new com.	3.10	3.75	+.05
Murphy Paint, com.	8	9	unch
Do., pref.	85	88½	−½
Nat. Hosiery, com.	.65	.90	−.05
Do., pfd.	.80	1.10	−.05
†N. Amer. Elevator, pfd.	78	..	+1½
Do., 2nd pfd.	25	..	−1
St. John Dry D., 5½% p.	100	102	−1
Seal-O-Sac	¼	..	+½
Sterling Rubber, 6½% p	..	62½	unch
Tip Top Tailors Inc., un.	11	14	−1
Traders Finance, rts.	9	11	−½
Viceroy Mfg., 6% pfd.	21½	23½	−½
Waterloo Mfg., new c.	.85	1.00	+.05
Wentworth Radio, pfd.	2.00	..	unch
West Can. Hydro, pfd.	10½	11½	−½
West. Life, 10% pd.	9.10	10½	+1½
York Trading, com.	2.35	5½	+.10

* Issue carries arrears.
† Currently paying on arrears.

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid Apr. 14	Asked Apr. 14	Bid Apr. 7
*M. & O. Paper	5	'60	100	102	100½
Moirs Ltd.	6	'53	85	89	85
‡Mtrl. Drydocks	6	'48	81	84	82
Montreal Apts.	4	'54	57	60	57
Nat. Grocers	4	'47	101½	..	101½
N. S. Stl. Coal	3½	'63	82	85	82
Price Bros.	5	'57	99	102	99
Do.	4	'57	82	85	83
*Prov. Paper	5½	'47	104½	107½	104½
Reliance Grain	5	'52	96	..	96
†Restigouche Co.	6	'48	101½	..	101½
Rolland Paper	4½	'51	102	104	102
Ruddy, E. L.	6½	'48	..	93	90
Silv. Dairies	6	'66	94	97	93½
Simpsons, Ltd.	4½	'51	101	104	101
Smith, Howard	4½	'51	102	105	102
Stand. Lime	6	'44	98	..	98
Sterling Coal	6	'45	98	101	98
Stop Shop	3	'47	58½	61½	58
United Corp.	5	'53	94	97	96
*United Gas	5½	'48	105	108	105
United Gr. Grs.	5	'48	100½	103½	100½
†Western Grain	6	'49	66½	69½	67½

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
‡Payable in U. S.
▴Payable in Canada only.
‡Traded without accrued interest.
↓Payable in Can. or U. K.

Municipal Bonds

Apr. 14, 1942

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	113.00	115.00	3.90
Hamilton	5	1950	109.00	112.00	3.28
Montreal	5	1945	92.00	....	....
Ottawa	4½	1945	104.75	106.25	2.45
†Quebec	5	1959	109.00	112.00	4.17
Saint John	5	1950	104.00	106.00	4.17
†Toronto	4½	1955	110.00	113.00	3.18
†Vancouver	5	1950	99.00	103.00	4.54
Winnipeg	5	1944	100.75	103.75	2.98

†Payable Can. & N.Y.

Investment Trusts

	Bid	Asked
Affiliated Funds	1.77	1.94
Can. Amer. Trust	2.75	3.30
Can. Inter. Trust	3.60	4.40
Can. Invest. Fund	2.90	3.20
Corporate Investors	5.19	5.60
Trans-Canada	8.84	9.25

Annual Meetings

pr. 21—United Steel	Toronto
pr. 22—Brand.-Henderson*	Montreal
Apr. 22—Buffalo Ankerite	S. Porcupine
Apr. 22—Coast Copper Co.	Trail
Apr. 22—Can. Breweries†	Toronto
Apr. 22—Famous Players Can.	Toronto
Apr. 22—Sunloch Mines	Trail
Apr. 23—Cons. Min. & Smelt.	Montreal
Apr. 23—Foundation of Can.	Montreal
Apr. 24—Noorduyn Aviation	Montreal
Apr. 24—Price Bros	Quebec
Apr. 24—Waite Amulet Mines	Toronto
Apr. 25—McWatters Gold M.	Toronto
Apr. 27—Cons. Bakeries	Westmount
Apr. 27—Can. Marconi Co.	Montreal
Apr. 27—Dom. Engineering	Montreal
Apr 27—Zeller's	Montreal
Apr. 28—McKenzie R. L. Gold	Toronto
Apr. 28—Saguenay Power Co.	Montreal
Apr. 28—Sullivan Cons. Mines	Montreal
Apr. 28—Dome Mines	Toronto
Apr. 29—Hamilton Bridge	Hamilton
Apr. 29—Western Grocers	Winnipeg
Apr. 30—Assoc. Breweries*	Calgary
Apr. 30—Assoc. Breweries‡	Calgary
Apr. 30—Beattie Gold (Que.)	Toronto
Apr. 30—Cons. Dive. Std. Secs.	Montreal
Apr. 30—Regent Knitting Mills	Montreal
Apr 30—United Amusement	Montreal
May 7—Internat'l. Min.	Wilmington, Del.
May 27—Fafic Invest.	Montreal

*Special general. ‡And special.
†To be adjourned until May 15 at 11 a.m.

Mining Dividends

	Rate	Apr. 13	%
Anglo-Huronian	▲10c	1.75	..
Argus Interests	†4c	.35	..
Aunor Gold	16c	.95	16.8
Bayonne	†1c	.03	27.5
Beattie Gold	16c	.58	..
Berens River	3c	.65	..
Bralorne	80c+40c	7.40	*16.2
Broulan Porc.	12c	.40	..
Buffalo Ankerite	▲30c	1.75	..
Bulolo Gold	$3	5.00	..
Can. Malartic	8c	.28	..
Cariboo Gold	16c+1c	1.05	*16.2
Central Patricia	16c+4c	.90	*22.2
Chesterville	15c	.96	..
Cochenour Willans	6c	.48	12.5
Coniagas	▲17½c	1.05	..
Coniaurum	16c	.67	23.9
Cons. Smelters	$1+$1.50	38.25	*6.5
Delnite	▲6c	.26½	..
Dome Mines	$1.20	11.00	..
East Malartic	5c	1.36	..
Falconbridge	20c	2.87	..
Francoeur Gold	▲4c	.21	..
Goldale Mines	2c	.11	..
Gold Belt	▲2c	.14	..
Grandview	▲1½c	.15	..
Grull Wihksne	†.00½	.01½	..
Hallnor	40c	2.00	20
Hard Rock	▲8c	.38	..
Hedley Mascot	8c	.26	..
Hollinger	65c+45c	7.25	*15.1
Howey Gold	▲4c	.15	..
Hudson Bay	$2	23.00	8.9
Inspiration	▲2c	.24	..
Inter. Nickel, com.	$2	30.50	6.5
Island Mountain	▲18c	1.02	..
Jason	4c	.18	..
Kerr-Addison	5c	3.25	..
Kerr Lake	5c	.50	..
Kootenay Belle	▲8c	.16½	..
Lamaque Gold	40c+15c	3.15	*17.4
Lake Shore	80c	7.25	11
Leitch	8c	.45	..
Little Long Lac	▲20c	.95	..
Macassa	32c+3c	2.15	*16.2
Madsen R. Lake	▲3c	.42	..
Malartic Gold	10c	1.34	..
McGillivray Coal	2c	.20½	..
McKenzie Red L.	12c	.60	20
Moneta	8c	.25	..
McIntyre-Porc.	$2.22+$1.11	39.25	*8.4
MacLeod-Cockshutt	10c	1.15	..
Negus	2½c	.32	..
Nipissing	15c	.86	17.4
Noranda	$4	42.75	9.3
North Empire	▲40c	3.75	..
O'Brien Gold	3c	.59	..
Pamour Porc.	18c	.56	..
Pato Cons.	20c+2c	2.00	*11
Pend Oreille	†6c	1.25	..
Perron Gold	16c+4c	1.11	*18
Pioneer, B.C.	40c	1.50	26.6
Pickle Crow	30c	1.77	16.9
Placer Develop.	$1.20	4.25	..
Premier	8c	.39¼	20.4
Preston E. Dome	20c	1.87	10.7
Privateer Mines	12c+1c	.29½	..
Quebec Gold	2c	.20	..
Reno Gold	▲20c	.03	..
San Antonio	14c+6c	1.45	*13.8
Sheep Creek	16c+1c	.68	*25
Sherritt Gordon	10c	.73	..
Sigma Mines	30c	4.50	..
Silbak Premier	16c	.60	26.6
Siscoe	8c	.36	22
Sturgeon River	2c	.10½	..
Sudbury Basin	2½c	1.23	..
Sullivan Cons.	▲8c	.53	15.1
Surf Inlet	▲2c	.06	..
Sylvanite Gold	20c	1.27	15.7
Teck-Hughes	40c	[illegible]	23.8
Toburn	12c+4c	.80	*20
Upper Canada	▲14c	.72	..
Ventures	▲20c	3.05	..
Waite Amulet	40c	4.20	..
Wendigo	3c	.13	..
Wright-Harg.	40c+20c	1.91	..
Ymir Yankee	▲2c	.03⅛	..

▲Paid in 1941. *Yield including bonus.
†Initial. ‡Paid in 1942 to date.
•Capital distribution.

Dividends Declared

	This payment	Date payable	Date of record
Ault & Wiborg, p.	$1.37½	May 1	Apr. 15
Ang. Can. Tele., p.	68¾c	May 1	Apr. 18
Aunor Gold	4c	June 1	May 15
Beatty Bros. 1st pf.	$1.50	May 1	Apr. 15
Brew. & Distillers	■50c	May 20	Apr. 30
Do., extra	■10c	May 20	Apr. 30
Bathurst Pr., A	25c	June 1	May 15
Do., extra	25c	June 1	May 15
B. C. Tele., 2nd pf.	$1.50	May 1	Apr. 16
Calgary & Edm.	5c	May 15	Apr. 15
Can. Nor. Pwr.	■15c	Apr. 25	Mar. 31
Can. Bk. of Comm.	$2	May 1	Mar. 31
Canadian Oil, c.	25c	May 15	May 1
Can. Converters	50c	Apr. 30	Mar. 28
Cockshutt Plow	25c	June 18	June 4
Confederation Life	$1.50	June 30	June 25
Do.	$1.50	Sept. 30	Sept. 25
Do.	$1.50	Dec. 31	Dec. 25
Can. Indust's., A, B	$1.50	Apr. 30	Mar. 31
Cochenour Willans	3c	Apr. 20	Apr. 1
Coll'gwd Term. p., c.	*25c	Apr. 20	Apr. 10
Can. Bronze	37½c	May 1	Apr. 10
Do., pref.	$1.25	May 1	Apr. 10
Caldwell Linen, pf.	37c	May 1	Apr. 15
Do., 2nd pref.	20c	May 1	Apr. 15
Calgary Power, pf.	$1.50	May 1	Apr. 15
Can. Investors	10c	May 1	Apr. 18
Do., extra	5c	May 1	Apr. 18
Can. Marconi	4c	June 1	Apr. 15
Can. W. Nat. Gas	$1	Apr. 23	Apr. 20
Can. For. Invest., c	70c	May 1	Apr. 15
Dom. Oilcloth	30c	Apr. 30	Apr. 15
Do., extra	10c	Apr. 30	Apr. 15
Dominion Bank	$2.50	May 1	Apr. 15
Dist. Seagrams, p.	†$1.25	May 1	Apr. 15
Dome Mines	■40c	Apr. 20	Mar. 31
Dominion Tar, p.	$1.37½	May 1	Apr. 15
East. Steel Prod., c.	25c	June 1	May 15
Famous Players	25c	Apr. 27	Apr. 11
Foundation Co.	25c	Apr. 18	Mar. 31
Do., extra	25c	Apr. 18	Mar. 31
Gordon & Belyea, A	$1.50	May 1	Apr. 25
Do., B	30c	May 1	Apr. 25
Goldale Mines	2c	May 11	Apr. 25
Hallnor Mines	10c	June 1	May 15
Hart Battery	5c	Apr. 30	Apr. 10
Hollinger Cons.	5c	Apr. 22	Apr. 8
Home Oil	■15c	June 15	May 15
Inter. Nickel, pfd.	†1¾%	May 1	Apr. 1
Imperial Bank	$2.50	May 1	Mar. 31
Island Mtn.	8c	May 25	May 1
Int. Metal, pf. A pf.	$1.50	May 1	Apr. 15
Kirk. Lake Gold	4c	May 4	Apr. 4
Kerr Addison	5c	Apr. 28	Apr. 10
Langleys, pfd.	■50c	June 11	June 2
Do.	■50c	Sept. 11	Sept. 2
Do.	■50c	Dec. 11	Dec. 2
Lamaque Gold	10c	June 1	May 8
Do. extra	5c	June 1	May 8
McIntyre-Porc.	55½c	June 1	May 1
Montreal L. H.	37c	Apr. 30	Mar. 31
North. Ont. Power	12c	Apr. 25	Mar. 31
Do., pref.	$1.50	Apr. 25	Mar. 31
Penmans	75c	May 15	May 5
Do., pref.	$1.50	May 1	Apr. 21
Pickle Crow	10c	Apr. 30	Apr. 15
Privateer Gold	3c	May 10	Apr. 25
Proprietary M.	5c	Apr. 29	Apr. 15
Quebec Power	25c	May 25	Apr. 23
Reno Gold	▲20c	Apr. 30	Apr. 10
Regent Knitting pfd.	‡40c	June 1	May 15
Rolland Paper	15c	May 15	May 4
Do., pref.	$1.50	June 1	May 15
St. Law. Flour	35c	May 1	Apr. 20
Do., extra	50c	May 1	Apr. 20
Do., pref.	$1.75	May 1	Apr. 20
Saguenay Pwr., p.	$1.37½	May 1	Apr. 15
South. Can. Pwr.	20c	May 15	Apr. 30
Steel of Can.	75c	May 1	Apr. 7
Do., pref.	75c	May 1	Apr. 7
San Antonio Gold	7c	Apr. 20	Apr. 4
Do., extra	3c	Apr. 20	Apr. 4
Shaw. W. & Power	22c	May 25	Apr. 28
Silbak Premier	4c	Apr. 25	Apr. 4
Sher.-Williams, ord.	15c	May 1	Apr. 15
Sher.-Williams, pf.	$1.75	July 2	June 15
Sherritt Gordon	■5c	May 29	Apr. 24
Simpsons, pref.	$1.62½	May 1	Apr. 18
Sturgeon River G.	2c	Apr. 30	Apr. 15
Teck Hughes	■10c	June 1	May 8
Toburn Gold	3c	May 22	Apr. 22
Do., extra	1c	May 22	Apr. 22
Union Gas	20c	June 15	May 20
United Corp., A	37c	May 15	Apr. 15
Walker, Hiram	$1	June 15	May 22
Do., pref.	25c	June 15	May 22
Weston, Geo., pf.	$1.25	May 1	Apr. 15
Wilsil	25c	July 1	June 15
Wood, A. & J., pf.	$1.75	May 1	Apr. 15
Zellers	20c	May 1	Apr. 15
Do., pref.	37½c	May 1	Apr. 15

†Payable in U. S. funds.
■Subject to approval of Foreign Exchange Control Board. *Initial.
‡Also 40c payable Sept. 1 and Dec. 1.
▲Capital distribution.

Bond Redemptions

Ames. H. Tire	*7%	1943	May 1	105
Stand. Lime	▲6%	1944	May 1	102

*$23,700. ▲$20,500.

Canada-U.S. Co-operate on Farm Policy

West Sceptical of Merits – "Too Late, Too Much Tariff"

From Our Own Correspondent

WINNIPEG.—Western reaction to the announcement of the new joint agricultural policy of Canada and the United States is that it came too late for maximum results. Seeding is already far advanced over a greater proportion of the United States and plans for crop production have been completed in most of Canada.

All through the past winter the argument has been advanced in the Prairie Provinces that if a real market in the United States could be secured, then ample production of coarse grains would be assured.

Aside from this criticism of "too late," the new pact has attracted much interest and been well received. Practical results, however, are not expected to be so great as anticipated in Ottawa.

Greatest stumbling block to agricultural trade between Canada and the United States is not so much the competitive nature of the products but the tariff. In most lines this is almost prohibitive at normal price levels. Before any real movement of products can be achieved, it is argued, either the tariff must come off or prices be allowed to rise where the levy is relatively small. Price ceiling on most lines in Canada, of course, makes likelihood of latter step remote.

OTTAWA.—From the Prime Minister's office last week came official announcement of a joint Canada-U.S. agricultural pact which Hon. James Gardiner almost let out of the bag last March 17 when he was being quizzed in the House on agricultural bonus policy.

Most important feature of the pact is the angle disclosed four weeks ago when E. E. Perley, M.P. for Qu'Appelle, Sask., obtained an admission from Mr. Gardiner that the reason the government could afford to be so generous in its bonus policy on coarse grains was the fact that an agreement had been reached whereby Canada might market all its surplus oats and barley in the U.S.A.

Canada is to produce all the coarse grains and flax that it can, and the U.S.A. is to go all-out in the oil-bearing crops which it can grow most economically—especially soya beans. Canada's feed grains will be used (it is hoped) to replace corn which in turn is being ousted by the U.S. to make room for more soya-bean acreage.

There is no guarantee on the part of either country to ship any particular quantity of these crops, but Canada, for example, has been assured that if she harvests a genuine surplus of coarse grains, the U.S. will not bar their import and that Canada may freely supply U. S. needs to the greatest extent possible.

As Prime Minister King pointed out, this is the first time the two countries have officially collaborated in respect of agricultural policy. The agreement was reached on the basis of recommendations by the Joint Economic Committee of Canada and the United States, chaired by Dr. W. A. Mackintosh and Alvin H. Hansen.

The agreement also contains provisions to facilitate inter-state movement of agricultural machinery and crews without hindrance or payment of duty, and an encouragement for seasonal movement of labor between the two countries.

Flour Exports Up This Year

Exports of wheat flour in March this year were higher in quantity and dollar value than in March 1940. For the three months this year, there is a gain of 1.2 million bbls. while average export price of $4.066 compares with $3.465 a year ago.

For wheat, quantity and dollar value of exports are down in March but the cumulative three-month total shows gains. Details follow:

Wheat Flour Exports

	Quantity Barrels	Value $	Aver. Export Price $
March:			
1939	360,752	1,110,095	3.077
1940	715,579	2,864,163	4.003
1941	559,193	2,011,813	3.598
1942	899,399	3,716,093	4.132
3 Mos. Ended March:			
1939	1,031,056	3,169,363	3.074
1940	2,000,233	7,612,248	3.806
1941	1,520,714	5,255,279	3.456
1942	2,706,110	11,002,729	4.066

Wheat Exports

	Quantity Buhels	Value $	Aver. Export Price $
March:			
1939	6,564,277	3,987,087	0.607
1940	8,628,277	8,141,245	0.944
1941	11,622,719	9,794,585	0.843
1942	9,765,258	8,621,809	0.883
3 Mos. Ended March:			
1939	20,189,573	12,163,250	0.603
1940	25,584,119	23,166,647	0.906
1941	25,962,393	21,624,648	0.833
1942	26,334,393	22,736,819	0.863

NEW VICE-PRESIDENT

Cecil Lamont has been appointed as vice-president of The North-West Line Elevators Association. Mr. Lamont, in October last, took over the duties of L. W. Brockington, K.C., who held the post of general counsel for the Line Elevators.

More Soya Beans For S. Alberta

From Our Own Correspondent

VANCOUVER.—B.C. Sugar Refining Co., through its Alberta subsidiary, Canadian Sugar Factories, may become an important factor in production of soya beans as a result of a deal made with its beet growers in southern Alberta.

It is expected that about 500 acres will be planted in soya beans, and contracts are now being negotiated. Under the terms of the contract the sugar company will furnish growers with seed at the rate of 50 pounds an acre at a charge of six cents a pound or on the understanding that seed of equal quality will be returned by the growers to the company in the fall.

The Dominion government is reported eager to establish the industry on a sound basis without the growers taking too much risk. The sugar company will buy the crop at the contracted price of three cents a pound for No. 2 beans delivered, payment to be made within 30 days after delivery.

Postwar Wheat Pact Said 'Milk and Water'

By STAFF WRITER

OTTAWA.—The forthcoming postwar international wheat agreement will be disappointing to those expecting a concrete programme of vast and definite proportions for feeding destitute Europe and stabilizing world trade in wheat after the war, The Financial Post is informed.

The relief aspect of the pact will be of very small dimensions compared with the present size of world carryovers.

The stabilization plan will be a milk-and-water affair, but nonetheless of interest and value to those who fear a hidebound pact which might seriously handicap Canadian wheat growers in the postwar future.

The agreement, which will be announced shortly and will bear the signatures of five nations (the Big Wheat Four plus U.K.) cannot be considered more than an interim arrangement designed to stabilize markets between the close of the war and the subsequent postwar conference of interested countries which it is felt must bear the brunt of any ultimate long-term solution.

The programme has been in the making now by an International Wheat Conference for nearly a year. One of the difficulties was the fact that Great Britain feared an agreement which might be interpreted by the Axis powers as a dictatorial policy which aimed to carve up the postwar wheat world to the benefit of the producer countries.

All but one provision of the postwar stabilization programme will be contingent on a further decision as to the date at which the individual proposals come into effect. Agreement as to those dates must be unanimous among all nations. Thus if one nation wishes to postpone effective date of any particular provision, it may do so merely by refusing to agree upon the date at which it is to become effective.

Company Reports

Fleet Aircraft

Plant of Fleet Aircraft, Ltd., was fully employed last year in manufacture of airframes and spare parts and overhaul of various types of airframes and aero engines, states W. J. Sanderson, president. Since the first of this year overhaul operations have been centralized in a new plant erected for that purpose, leaving the company's plant available for manufacture of a new type of aircraft in substantial quantities. Backlog of business is sufficient to ensure full operations until the end of 1942.

Earnings from 1941 operations were higher than in 1940, being equivalent to 97 cents a share on the company's 190,289 common shares against 70 cents a share in 1940. Working capital is higher at $1 million compared with $723,324.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Net oper. profit	549,819	589,633
Less: Exec. salaries	31,560	13,450
Legal fees	2,988	4,423
Directors' fees	4,540	4,323
Depreciation	176,805	257,930
Income & E.P. taxes	148,544	176,444
Net profit	185,381	133,073
Add: Previous surplus	183,789	50,716
Less: Addit. taxes	51,504	......
Earned surplus fwd.	317,666	183,789
Earned per share	$0.97	$0.70
No dividends paid.		
Working Capital		
Current assets	2,594,634	2,124,402
Current liabilities	1,556,758	1,401,078
Working capital	1,037,876	723,324
Balance Sheet Changes		
Accts. receivable	488,179	345,090
Due from Can. Assoc. Air.	292,219	158,234
Inventories	4,078,284	1,507,931
Less: Progress pay. rec.	2,354,053	......
Bank loans	1,093,525	981,642

C.D.S. Trust

Consolidated Diversified Standard Securities reports a moderate decline in gross revenue in 1941, but earnings on the preferred stock were higher owing to reduction in number of shares outstanding. Net revenue available on the preferred was equal to 91 cents a share, as against 80 cents the year before.

The balance sheet shows investments at $849,845 book value and a market value of $502,294. This contrasts with a book value of $835,108 and a market value of $607,832 at the close of 1940. During the year the company redeemed 3,900 shares of preferred stock, leaving outstanding 32,000 shares.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
Gross revenue	$59,543	$73,201
Less: Exec. salaries	11,000	12,540
Directors' fees	300	200
Office salaries	3,565	2,659
Legal fees	135	50
General taxes	555	766
Gen. expenses	4,569	4,238
Tax provision	10,316	9,788
Net profit	29,102	42,960
Less: Pref. divds.	22,925	22,925
Surplus	6,177	20,035
Prev. surplus	66,999	64,964
Less: Invest. res.	......	18,000
Surp. forward	73,176	66,999
Earned on pref.	91c	80c

Canadian Marconi

Canadian Marconi Co. report for 1941 reveals sharp increase in gross revenue, but due to provision for increased taxes and depreciation, net profit was practically the same as in the previous year, amounting to 78 cents a share.

Manufacturing facilities, according to A. H. Ginman, president, are now devoted almost entirely to war purposes. No further broadcast receivers will be produced after April 30 next, present production being limited to the assembly of components and materials acquired prior to the government order prohibiting further manufacture of this type of apparatus.

Government orders in hand, said Mr. Ginman, represent a value several times output in a normal year, necessitating further extension to factory buildings and other facilities.

The company is now supplying quartz crystals in large quantities for the requirements of the Canadian and United States governments.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Gross income	1,130,563	833,008
Less: Depreciation	498,149	280,981
Directors' fees	6,520	6,600
Exec. salaries	51,236	47,875
Legal fees	2,449	3,789
Tax provision	300,000	220,000
Net profit	272,209	273,763
Previous surplus	657,627	643,238
Less: Divd. reserve	182,187	164,374
General reserve	......	95,000
Pension reserve	50,000	......
Surplus forward	697,649	657,627
Earned on Common	$0.78	▲$0.78
Working Capital	$	$
Current assets	4,122,562	2,710,089
Current liabilities	2,050,133	762,422
Working capital	2,072,429	1,947,667

Inter. Bronze

International Bronze Powders reports broad expansion in operations and earnings for the past year.

War conditions, reports R. E. Thorne, president, has occasioned governmental restrictions and prohibitions limiting the use of essential basic materials. In addition, some plants have already been closed, either through restraining orders of the government or by the fact that they are in enemy-occupied territory.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Operating income	1,696,983	1,288,131
Less: Expenses	521,957	639,012
Add: Other income	44,335	69,451
Net revenue	1,219,362	718,570
Less: Interest	......	18,622
Tax provision	681,786	327,744
Min. interest	11,953	10,068
Net profit	525,622	362,134
Less: Pfd. dividends	150,000	150,000
Com. dividends	150,000	150,000
Surplus	225,622	62,134
Previous surplus*	266,762	394,896
Less: Gen. reserve	120,000	130,000
Surplus forward	372,384	327,030
*Adjusted.		
Earned on Common	$3.75	$2.12
Working capital	1,172,149	1,010,610

Traders Finance

Volume of business transacted by Traders Finance Corp. during 1941 was the largest in the history of the company, reports Arthur Meighen, president. Toward the end of the year restrictive orders involving consumer credit and curtailment of automobile production caused a relative decline of volume of business, a decline which has become more pronounced in the first quarter of 1942. It is not expected, he states, that the trend will show any improvement for the duration of the war.

The first installment of $100,000 of the company's 3½% serial debentures matured and was paid off Jan. 1, 1942.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Financing income	1,881,766	1,680,139
Add: Other income	52,802	47,592
Total income	1,934,568	1,727,731
Less: Bank interest	609,272	473,393
Expenses	611,548	589,767
Equipment/purch.	36,782	34,486
Deb. interest	24,500	......
Exec. sals.	53,906	51,084
Dirs. fees	1,625	1,650
Legal fees	2,976	2,264
Taxes	259,773	137,289
Net profit	334,185	374,150
Less: Int. on fdg. rites	20,130	20,130
Series A divs.	147,420	147,402
Series B divs.	......	44,814
Surplus for year	166,635	161,804
Add: Prev. surplus	1,180,057	1,018,253
Surplus forward	1,346,792	1,180,057
Earnings per Share:		
Series A	$9.94	$11.43
Paid	6.00	6.00
Common	2.89	2.81
Nothing paid.		

Inter. Paper

New record highs in business and profits are reported by International Paper Co. for 1941. Total sales and other income amounted to $218.1 millions, as compared with $160.4 millions the year before. Because of higher taxation, the rate of gain in net profits was considerably smaller, amounting to $16.2 millions, as against $15.7 millions in 1940.

The balance sheet end of 1941 showed current assets of $77.6 millions, compared with $63.1 millions a year earlier, and current liabilities of $33.2 millions against $22.9 millions. Inventories climbed to $32 millions, up from $19.6 millions at the end of the previous year.

The company and its subsidiaries produced during 1941 a total of 2,653,800 tons of pulp and paper products, an increase of 16% over 1940.

International Paper spent during the year $10.5 millions net for the construction, purchase and improvement of mill properties.

Canadian Light

Canadian Light and Power Co. reports moderate improvement in both gross and net earnings for 1941. Net income on the capital stock was equal to $1.03 a share, as against $1 the year before. Further improvement is recorded in balance sheet position.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Gross income	464,067	446,907
Less: Oper. & maint. exps.	172,707	170,264
Bond interest	134,038	137,474
Depreciation	95,000	88,000
Tax provision	28,046	17,908
Net profit	34,275	33,261
Less: Common divds.	33,248	33,248
Surplus	1,027	13
Add: Prev. surplus	10,450	18,977
Less: Inc. tax paid	......	8,540
Surplus forward	11,477	10,450
Earned on Common	$1.03	$1.00
Working capital	609,384	531,506
Balance Sheet Changes	$	$
Cash	180,808	66,461
Investments	504,295	534,466

Quebec Cabinet Shuffle Seen

Stand of Drouin and Casgrain on Plebiscite Indicates Revamping

From Our Own Correspondent

MONTREAL.—Hon. Oscar Drouin, Quebec Minister of Public Affairs, Trade and Commerce, and Hon. Leon Casgrain, member of the cabinet without portfolio, have split with the cabinet on the forthcoming Dominion plebiscite.

Premier Godbout has already gone on record that the people of Quebec should support the King Government in its request to be released from its promise not to enforce conscription for overseas service. At the same time the majority of the members of the Legislative Assembly voted against the Chaloult motion which would have committed the Assembly to express an opinion asking the people to cast a negative vote.

The action of Mr. Drouin and Mr. Casgrain may result in a reorganization of the cabinet. Mr. Drouin is known for some time to have taken the negative side of the plebiscite. At the same time he is understood not to have been altogether happy in the Liberal Government. His present stand, accordingly, may hasten the anticipated reorganization of the cabinet and Mr. Drouin's return as a private member.

Wheat Prices

Winnipeg Grain Futures

Week to Apr. 13, 1942

Crop year from Aug. 1, 1941 High	Low		High for week	Low for week	Close Apr. 13
		Wheat			
.82¾	.76¼	May	.79¼	.79¼	.79¼
.82⅛	.77½	July	.80⅝	.80⅜	.80⅝
		Oats			
.51⅛	.38⅛	May	.51½	.51⅛	.51½
.51¾	.42⅛	July	.50⅞	.50⅝	.50⅝
.50	.46	Oct.	.49¾	.49⅛	.49½
		Barley			
.64¾	.49¾	May	.64¾	.64¾	.64¾
.64¾	.55⅛	July	.64⅝	.63⅝	.64⅝
.63⅝	.57	Oct.	.63⅛	.62¾	.62¾
		Rye			
.67⅞	.52¾	May	.65⅞	.64⅞	.64⅞
.66¾	.65	Oct.	.66½	.65¾	.65¾
.68⅝	.60⅝	July	.66⅝	.66⅝	.66⅝

Cash Quotations

	For Week Apr. 13 High	Low	Prev. Week High	Low
Wheat:				
1 Hard	.79	.78¾	.78¾	.78½
1 Nor.	.79	.78¾	.78¾	.78½
2 Nor.	.75⅞	.75¾	.75⅝	.75½
3 Nor.	.73⅞	.73¾	.74⅛	.73¼
4 Nor.	.72¾	.72½	.72¾	.71⅞
5 Wheat	.70	.70	.70	.69¾
6 Wheat	.67¾	.67¾	.67¾	.67¾
Feed	.65⅞	.65¼	.65¼	.65⅝
Oats:				
2 C. W.	.51¼	.51⅛	.51⅛	.50⅝
3 C. W.	.49⅝	.49¼	.49⅛	.48⅝
Barley:				
1 Feed	.61	.61	.61	.61
2 Feed	.60	.60	.60	.60
Rye:				
2 C. W.	.65¼	.64⅝	.64⅞	.63¼

Dominion Coal Needs More Ships

Hopeful Required Tonnage Will Be Secured. Cross Discusses Dividends

From Our Own Correspondent

MONTREAL.—Payment of dividends on Dominion Coal Company's preferred stock will be resumed as soon as the financial condition of the company's warrants, according to Arthur Cross, president, at the annual meeting. He said:

"The shipping situation has not improved during the year, but every source is being investigated to obtain a sufficient number of ships to meet requirements. A number have been chartered already and we are hopeful that we shall be successful in obtaining the required tonnage.

Agreement With Labor

Mr. Cross explained to the shareholders negotiations leading up to the agreement covering rates of wages and working conditions with the employees' union. It was not possible to arrive at a settlement with the union and the matter was finally referred to the National War Adjustment Board. The Board rendered its decision and recommendation on March 24, which, in effect, meant the freezing of wages for the duration of the war.

Development of two new collieries is progressing favorably, Mr. Cross added.

Production from these units will replace loss of output from declining collieries.

Canadian Bakeries has arranged redemption of all outstanding bonds, using cash resources and a loan from the Imperial Bank. At Aug. 31 last the company had $498,300 of 6% bonds outstanding. Improvement was shown in earnings in the six months ended Feb. 28, 1942, over the same period of 1941.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.00	$10.50	$9.50
Hogs	15.25	15.25	11.40
Copper, lb.	.12	.12	.12
Cotton, lb.	.2134	.2123	.1152
Sugar, raw, lb.	*.0374	.0374	.0340
Wheat, Man. (bu.)	.79	.78¾	.75⅜
Coffee, lb.	*.09⅝	.09⅝	.06¾
Hides	*.15½	.15½	.14½
Weekly Indices			
U. S. Labor	97.9	97.4	82.2
Wood, Gundy	77.1	77.0	70.1
Dow Jones (fut.)	87.74	87.53	63.54
Fishers	105.4	103.8	89.2
Monthly Indices			
Canada (D.B.S.):			
Retail (Mar.)†	115.9	115.7	108.2
W'sale (Feb.)	94.6	94.3	85.2
U. S. (Jan.)	96.0	93.6	80.8
Gt. Brit. (Jan.)	156.4	155.9	149.5

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

*Ceiling prices fixed by the office of Price Administration.

El Salvador Drops Duty On Newsprint Imports

From Our Own Correspondent

MONTREAL.—To aid newspaper publishers, the government of El Salvador has issued a decree permitting the import of newsprint in rolls duty free. This measure is designed in part to offset the rise in price.

Newsprint paper in sheets continues to be dutiable at the rate of $1.20 per 100 gross kilograms.

NOTICE

Montreal Tramways Company

ANNUAL GENERAL MEETING

NOTICE is hereby given that in accordance with the By-laws of the Company, the Annual General Meeting of the Shareholders of MONTREAL TRAMWAYS COMPANY will be held at the Company's Offices, Tramways Building, 159 Craig Street West, Montreal, P.Q., at 12 o'clock noon, on Thursday, the 23rd day of April, 1942. This meeting will be held for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said meeting.

The Transfer Books will be closed from the 3rd day of April, 1942, to the 22nd day of April, 1942, both days inclusive.

By order of the Board,

PATRICK DUBEE,
Secretary-Treasurer.

Montreal, January 29th, 1942.

DIVIDEND NOTICES

The Corrugated Paper Box Company, Limited

Preferred Stock Dividend No. 29

Notice is hereby given that a dividend of 1¾% has been declared on the Preferred Stock of the Company, payable on the 1st day of June, 1942, to shareholders of record at the close of business on the 15th day of May, 1942.

Dated the 15th day of April, 1942.

J. A. WHEALY,
Secretary.

Blue Ribbon Corporation Limited

NOTICE is hereby given that a dividend of sixty-two and a half cents (62½c) per share on the Preferred Shares of the Company has been declared payable on and after the first day of May, 1942, to holders of record at the close of business on the 21st day of April, 1942.

DATED AT TORONTO this 10th day of April, 1942.

J. R. WRIGHT,
Secretary.

DIVIDEND NOTICES

The Sherwin-Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that a dividend of Fifteen Cents (15c) per share has been declared on the no par value Ordinary Stock of the Company, payable to Shareholders of record the 15th day of April, 1942, and that cheques will be mailed on May 1, 1942.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Quebec.
February 5, 1942.

HOME OIL Company Limited

Dividend Notice

NOTICE is hereby given that a dividend of fifteen cents (15c) per share will be paid, subject to the approval of the Foreign Exchange Control Board, by Home Oil Company Limited on or after the 15th day of June, 1942, to shareholders of record as of the 15th day of May, 1942.

By Order of the Board of Directors.

Dated at Vancouver, B.C., this 11th day of April, 1942.

GEO. F. V. HUDSON,
Secretary-Treasurer.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 221

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 30th April, 1942, and that the same will be payable at the Bank and its Branches on and after Friday, 1st May next, to shareholders of record at the close of business on the 31st March, 1942. The Transfer Books will not be closed.

By Order of the Board.

A. E. ARSCOTT,
General Manager.

Toronto, 20th March, 1942.

The Dominion Bank

Dividend No. 238

Notice is hereby given that a dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th April, 1942. The dividend will be payable at the Head Office of the Bank and its Branches on and after Friday, the 1st day of May, 1942, to shareholders of record of the 15th April, 1942.

By Order of the Board,

ROBERT RAE,
General Manager.

Toronto, 12th March, 1942.

AUNOR GOLD MINES LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Four (4c) Cents per share, payable in Canadian Funds, has been declared by the Directors of AUNOR GOLD MINES LIMITED, payable June 1, 1942, to shareholders of record at the close of business May 15, 1942.

By Order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, April 9, 1942.

DIVIDEND NOTICES

PRIVATEER MINE LIMITED

Dividend No. 14

NOTICE is hereby given that a dividend of three cents (3c) per share has been declared by the Directors of Privateer Mine Limited, payable in Canadian Funds, on the 10th day of May, 1942, to shareholders of record on the 25th day of April, 1942.

By Order of the Board.

W. S. LANE,
Secretary.

Vancouver, B.C.
April 9th, 1942.

Sherritt Gordon Mines Limited

(No Personal Liability)
25 King Street West, Toronto

DIVIDEND NO. 5

NOTICE IS HEREBY GIVEN that an interim dividend of 5 cents per share has been declared by the Directors of Sherritt Gordon Mines Limited (No Personal Liability) payable in Canadian funds on May 29th, 1942, to shareholders of record April 24th, 1942.

Under existing conditions payment of this dividend is subject to the approval of the Foreign Exchange Control Board.

By order of the Board.

H. WHITTINGHAM,
Secretary-Treasurer.

April 9th, 1942.

Hallnor Mines Limited

(No Personal Liability)

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Ten Cents (10c) per share, payable in Canadian funds, has been declared by the Directors of HALLNOR MINES, LIMITED (No Personal Liability), payable June 1, 1942, to shareholders of record at the close of business May 15, 1942.

By order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, Ont., April 14, 1942.

NORRIS GRAIN COMPANY
LIMITED
C. C. FIELDS, Pres. GEO. S. MATHIESON, Vice-pres.
C. E. BABBITT, Sec'y.
Grain Merchants, Shippers and Exporters
709 Grain Exchange, Winnipeg
NEW YORK CHICAGO KANSAS CITY TOLEDO
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Regularly
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Sarnia, 3 Million Bushels
The most modern facilities for the storage and transfer of grains, for grain conditioning, and for the production of MASTER FEEDS for Livestock and Poultry. MASTER FEEDS are endorsed and recommended by leaders in the livestock industry of Canada.
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WINNIPEG
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Chemical Pulp Vital to War

Output Continues to Hold at 1941 Record Level

From Our Own Correspondent

MONTREAL. — All chemical pulp capacity in Canada continues in full employment. There has been no letdown in operations and while production has not shown a gain, it holds at the record level established in 1941.

Domestic demand continues high and exports are on a substantial scale. In addition to a heavy movement to the United States, a large volume of chemical pulps is finding its way to the United Kingdom, the Latin American countries and elsewhere.

Because of wartime restrictions, it is difficult to provide precise details as to how the chemical pulp industry in Canada is faring.

Demand Keeps Up

Statements issued by the leading manufacturers from time to time have indicated a strong demand for all pulp that could be produced. This has been a reflection of the extra heavy demand for fine papers, pulps for war purposes and, in some instances, hoarding by consumers against possible shortages later on.

The situation changes from week to week, due to new government regulations, unexpected demands, shipping space scarcity, etc.

While there may be fluctuations in demand for various grades, the over-all situation remains much the same as in 1941, with a ready market for all that can be produced irrespective of grade.

Canada's Biggest Market

At this stage by far the largest market for Canadian chemical pulps exists in the United States.

Over recent weeks the U. S. War Production Board and the Office of Price Administration have issued several orders and "rulings" designed to keep a close check on pulp supplies, prices, distribution, etc. This has tended to make for stability.

Early in the year the government placed a limitation on inventories in order to prevent undue accumulation of supplies.

Limitation Order Modified

Last month the 60-day limitation on wood pulp inventories was modified. This 60-day limit continues for many types of pulp. Wood pulp allocated for lease-lend, ordnance projects, photographic paper and rayon is exempted. Also exempted is all groundwood for any purpose.

Inventories of exempted pulp continue to be controlled by U. S. Priorities Regulation No. 1, which states deliveries cannot be accepted if they will create inventories in excess of a "practicable minimum working inventory."

This has done much to check accumulation of stocks.

Stocks Are Uniform

Stocks of purchased chemical pulp as reported by American converting mills at the end of February totalled 272,086 tons. This volume was practically unchanged during the month and compared with 283,058 tons on Jan. 1, 1943 and 277,071 tons on Dec. 1, 1941. The records over this three months period indicate the stocks of these mills have been more or less stabilized at around 275,000 tons.

Help For Britain

This has helped lift the pressure on the market to a very considerable extent and has enabled both the Canadian and American governments to carry out their plans for assistance to the United Kingdom (Australia and New Zealand have since been added to the list) in the matter of pulp supplies.

For all of 1942 the United States plans on exporting some 200,000 tons of sulphite pulp, mostly to the United Kingdom.

This "business" is allocated to American mills on a specific basis. The mills providing the tonnage are compensated by an equal amount of tonnage of the same grade from other mills which do not participate in the lease-lend arrangement for that particular month.

At the same time the U. S. government requires fairly substantial blocks of high grade sulphite pulp for nitrating purposes. The business is allocated to certain mills in the same way as under the lease-lend arrangement.

Thus last month Rayonier Inc. was ordered to turn over 7,380 tons of sulphite pulp. Other mills were required to deliver an equal tonnage to Rayonier so that it might continue to service its customers.

Doing Good Job Here

No specific details have been made public as to the arrangement which the Canadian mills have worked out for meeting the requirements of the United Kingdom and other parts of the Empire which previously had been dependent upon the Scandinavian countries.

It is known that a pooling arrangement has been in effect for some time. In this way the task is undertaken jointly by the industry with a minimum of disturbance to regular marketing arrangements.

Provide Larger Supplies

As a result of this close correlation of production facilities—all on a purely voluntary basis—chemical pulp manufacturers in this country were able to report an increase of 40% in the volume of shipments to the United Kingdom in 1941.

Figures as to actual shipments are no longer available, but the effort put forth by the industry may be judged by the fact that last year's exports were 3½ times those of prewar days.

While meeting the requirements of the U. K., Canadian chemical pulp producers have and are doing a notable job in connection with the demands from the U. S.

Shipments to that market in 1941 were a third greater than the year before. Without this additional pulp, the American wartime industries would have been seriously handicapped.

Follow Moderate Policy

The general policy followed by the pulp operators is not unlike that set up by the newsprint division at the beginning of the war. The objective has been to meet whatever demands were made, especially those which are directly or indirectly related to the war effort—without taking advantage to profit by war conditions.

The price schedule for chemical pulps has been unchanged since July, 1940. A change is possible this year, as early last month the O.P.A. suggested, in view of the fact that price action is being considered, that pulp producers in the States in entering into contracts for the second quarter of 1942 should refrain from inserting prices in their contracts. No further announcement has been made as to a possible revision of price schedules.

As the situation now stands the chemical pulp operators in this country anticipate demand will be maintained throughout 1942. The needs in some markets are specially heavy and production for the full 12 months is expected to be comparable with last year's record figure.

Scarce Labor, Exports Threaten B.C. Pulp Stock

Hemlock Prices Boosted $2 per M, But Labor Drift Continues, U. S. Purchases Run High and May Bring Shortage in 1942

From Our Own Correspondent

VANCOUVER.—Shortage of labor which has already brought a critical shortage of logs plus continued export of hemlock pulpwood to the United States, have caused considerable anxiety among pulp and paper operators in British Columbia.

One chief executive of one of the largest mills on the coast told The Financial Post that curtailment in paper production almost to the point of complete shutdown was in prospect unless the situation showed substantial improvement.

Prices Hoisted

Meantime the price of hemlock logs has been increased by the Timber Control Board from $13 to $15 a thousand feet with a view to providing incentive for greater production, but in raising the price the board also felt that the new setup would provide an additional surplus of logs for export to the United States.

Washington states pulp mills have been anxious to increase purchases in British Columbia and because much of their production has been allocated for lend-lease purposes, they have felt entitled to a fair share of the B.C. cut.

All pulpwood exported is from Crown grant timber, and logs from licensed areas are prohibited from export unless the shipments are passed upon by an export advisory committee comprising three loggers, three sawmill men and the chief forester.

Effect of the higher prices will be chiefly felt in the licensed timber areas where large stands running heavily to hemlock instead of the more readily marketable Douglas fir have been left untouched because of the low prices hitherto obtainable. These areas are the chief source of supply for the British Columbia pulp and paper mills which will now have more pulpwood but at a higher price.

Labor Shortage Crucial

The whole log supply position, however, is dominated by the labor situation in British Columbia, and some logging operators express the opinion that the shortage of man power in the woods is worse than it has ever been. Every camp has lost men to the fighting forces and war industries, and many of them have been operating with relatively inexperienced crews with consequent loss of efficiency.

Adverse weather conditions early in the year resulted in lower log production, and many operators were reluctant to embark on long-term development programmes because of the hazards of the business for which there is little or no allowance in Canada's income tax system.

"Conditions have changed so drastically from one year to another that few men are ready to risk large capital outlays in logging," one operator declared. "The cost of labor and equipment has been mounting steadily, along with taxation. Anyone entering the business under these conditions must have a reserve to meet unforeseen difficulties, but taxation makes such provision difficult if not impossible."

Meanwhile the operators of pulp and paper mills in British Columbia are expressing alarm at the heavy exports of hemlock pulpwood logs. They point out that in 1940 the exports of hemlock and other pulp species to the United States from British Columbia amounted to nearly 150 million board ft. out of a total cut of about 862 million ft., or 17%, while last year the exports rose to more than 190 million ft. out of a total cut of 803 million ft., or 23.7%.

The amount of hemlock available for British Columbia industry was thus 100 million ft. less in 1941 than in 1940. In view of the demand for nitrating pulps used in the manufacture of explosives, an inventory shortage as of Dec. 31, 1941, was created amounting to 72 million ft.

It is expected that, in spite of the higher prices being paid for hemlock, log production will be considerably less this year than in 1941. The estimated increase in consumption by the pulp and paper industry in British Columbia is about 88 million ft. In addition, lumber mills in British Columbia are using more hemlock. Even if there are no exports this year and if production equals that of 1941, supply and demand will barely balance.

The British Columbia pulp and paper industry realizes that as a measure of international co-operation British Columbia will continue to permit log exports to Washington pulp mills, but they contend that in granting permits for export, allowance should be made for the fact that United States mills are working seven days a week as compared with six days in British Columbia. They also argue that exports should be permitted only from the west coast of Vancouver Island, which is relatively inaccessible to the major pulp and paper mills of British Columbia in an economic sense.

OGDEN'S

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Saint John Transport Sale Still Muddled

From Our Own Correspondent

MONTREAL.—An injunction previously granted S.M.T. (Eastern) Ltd., a bus company, restraining the New Brunswick Power Co. from selling its street railway system in Saint John to United Service Corp., Halifax, or to any other party except S.M.T., has been dissolved by Chief Justice J. B. M. Baxter.

The Chief Justice also granted the Province of New Brunswick and City of Saint John an injunction restraining the power company from disposing of its transportation assets to any person until April 28.

The city asked for an injunction on the grounds that important questions of law had arisen as to whether, in the public interest, any sale should be concluded without confirming legislation and, secondly, the city claims that the 1920 New Brunswick Power Co. Act conferred an exclusive option on the city to buy the company's properties.

Can. Colonial Airways Traffic Gains 32%

From Our Own Correspondent

MONTREAL.—Last year Canadian Colonial Airways Inc. carried 33,881 revenue passengers, an increase of 32% over the year before.

Revenue passenger miles flown increased 25.7%, which represents 9.3 million revenue passenger miles; while the revenue miles flown increased 15% to 7.8 million miles.

At the annual meeting shareholders will be asked to approve the change in the name of the company to Colonial Airlines Inc.

Hint U. S. Stocking Up Paper

Heavy Shipments to America Feature Operations

From Our Own Correspondent

MONTREAL—Both production and shipments of North American newsprint mills recorded a seasonal upswing in March. At the same time, the sharp gain in shipments to the United States would seem to indicate American publishers are doing a certain amount of accumulation of stocks. Whether or not this is the case, cannot be determined until the publishers' report is available later on in the month.

Last month Canadian mills turned out 295,835 tons, bringing production for the first quarter up to 885,840 tons. The latter figure contrasts with 782,674 tons for the like quarter of 1941.

The March output in Canadian mills was 20,000 tons greater than in the same month of last year and considerably above the average.

Send More to U. S.

The most interesting feature of the returns from the Canadian mills is that shipments in March totalled 308,166 tons. This was 43,000 tons greater than a year ago and is explained by an increase in shipments to the United States. The latter market took 266,034 tons last month, or 54,000 tons more than a year ago.

There was a moderate increase in shipments to Canadian publishers, while the volume of newsprint exported to overseas markets showed little change from the February and January returns, but was 13,300 tons less than in March 1941.

Shipments exceeded production by 12,331 tons and stocks held by Canadian manufacturers were reduced accordingly.

Island Mills Steady

The returns of the Newsprint Service Bureau and the Newsprint Association of Canada show a production in Newfoundland last month of 28,000 tons. Output on the island is consistently running behind that of a year ago and for the first quarter the two mills produced 83,952 tons, as against 91,411 tons in the like period a year ago.

Shipments from Newfoundland recorded a moderate improvement in March, amounting to 22,580 tons, or about 1,800 tons less than a year ago.

To the end of March this year the Newfoundland mills shipped 61,832 tons, or 13,300 tons less than a year ago. A breakdown of the returns shows shipments to the United States ahead of last year and to date amounting to 52,035 tons, as against 43,592 tons in 1941.

Feature of the Newfoundland shipments is a sharp reduction in overseas trade. Exports in March were only about half of those of a year ago and for the first three months totalled 9,599 tons, as against 30,835 tons in the first quarter of 1941.

The American production and shipment picture shows relatively little change, though the March output of 80,923 tons was nearly 7,000 tons less than in 1941. This might indicate a temporary situation. On the other hand, it might denote the transfer of some newsprint machines to other products.

For the first quarter the American mills turned out 241,785 tons, as against 256,220 tons a year ago.

Shipments from the American mills follow the same general pattern as production, March deliveries of 82,176 tons bringing the total to date up to 238,210 tons. In March 1941 shipments aggregated 85,503 tons and for the first quarter 250,885 tons.

Timber Controller Starts Survey of Resources

From Our Own Correspondent

MONTREAL. — Because of the shortage of raw material, a survey of pulpwood in Canada and the United States has been undertaken by the Federal Timber Controller.

Concern is felt on both sides of the border that such a shortage is possible this year, A. S. Nicholson, Controller, declared. Demand for Canadian pulpwood in the U. S. is reported keen both from eastern Canada and from the Pacific coast.

Aircraft spruce lumber is another essential product that Canadian forests supply. This, too, is being conserved and its production and sale are now on a priority basis. Better utilization of existing stocks is being closely studied and steps are being taken to build up a reserve for emergency needs.

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EXPLOSIVES CHIEF

A. J. C. Laprairie has been appointed district sales manager, Ontario and northern Quebec territory, for the explosives division of Canadian Industries Ltd. Mr. Laprairie continues to act as contract manager for his district, a position he has held since 1934. Previous to that as local sales manager at Timmins for C. I. L. Mr. Laprairie from 1920 was the sole company representative in the north country, became known to every mining camp.

Operating Ratios Better in March

Can. Newsprint Mills Report Higher Output and Shipments

From Our Own Correspondent

MONTREAL. — Canadian newsprint mills operated at 89.9% of capacity during March; according to the Newsprint Association of Canada. This contrasts with 81.4% in February and with 75.5% in March a year ago.

The ratio of shipments to capacity exceeding the production in March, amounting to 83.2%, as against 77.4% in the preceding month and 72.8% in March, 1940.

Canadian production and shipment ratios for the current year with comparative figures for 1940 follow:

(% of Capacity)

	Operations		Shipments	
	1942	1941	1942	1941
Jan.	84.3	71.5	78.9	66.6
Feb.	81.4	72.9	77.4	71.1
Mar.	79.9	75.5	83.2	72.8

T. C. A. Starts Flights For Nfld. Service

From Our Own Correspondent

MONTREAL. — Looking toward the beginning of the scheduled commercial service to Newfoundland on May 1, Trans-Canada Air Lines has started familiarization flights to St. John's.

Moncton will be the Canadian terminus of the new service and connections will be made with T.C.A. services throughout Canada. En route to Newfoundland, a stop will be made at Sydney, N.S. Two stops will be made in Newfoundland. Important air base at Gander will be one, and St. John's, the Island's capital, the other.

By rail and boat transportation the trip from Moncton to St. John's is now 54 hours. It will be about four hours by air.

Halifax Shipyards Ltd. Workers' Pay Advanced

From Our Own Correspondent

MONTREAL. — National War Labor Board has approved an increase of at least 2 cents an hour in wages for members of the Industrial Marine Shipbuilders of Canada, Local No. 1, now employed at the Halifax Shipyards Ltd., wholly owned subsidiary of Dominion Steel & Coal Corp.

The new arrangement, as approved by the Board also provides for a cost-of-living bonus of $1.25 a week to be paid all union members at the shipyards, retroactive Feb. 15.

A.N.P.A. Analyses Newsprint Usage Over Past Year

From Our Own Correspondent

MONTREAL.—Based on reports received from 1,130 daily newspapers in the United States, the American Newspaper Publishers Association reports consumption of 3,179,011 tons during 1941. This represents 80.9% of the estimated total consumption of 3,928,880 tons.

Breakdown of newsprint consumption in the United States by states for the past year follows:

Alabama	22,835
Arizona	4,954
Arkansas	10,637
California	240,121
Colorado	26,398
Connecticut	24,599
Delaware and Maryland	74,370
District of Columbia	63,903
Florida	37,555
Georgia	38,665
Idaho	3,770
Illinois	343,239
Indiana	61,688
Iowa	45,015
Kansas	23,122
Kentucky	28,639
Louisiana	36,914
Maine	8,896
Maryland	*
Massachusetts	179,117
Michigan	145,165
Minnesota	53,711
Missouri	117,193
Mississippi	1,514
Montana	4,249
Nebraska	20,517
Nevada	1,189
New Hampshire	3,321
New Jersey	59,847
New Mexico	1,879
New York	678,041
North Carolina	30,060
North Dakota	3,154
Ohio	145,479
Oklahoma	28,331
Oregon	31,102
Pennsylvania	259,630
Rhode Island	18,199
South Carolina	9,451
South Dakota	3,128
Tennessee	41,485
Texas	88,174
Utah	10,767
Vermont	2,095
Virginia	29,033
Washington	41,509
West Virginia	15,827
Wisconsin	59,491
Wyoming	1,033
Total	3,179,011

*See Delaware.

Dominion Coal Co. production in March totalled 406,163 tons; a decline of 49,396 tons from same month last year.

Cumulative output for the first quarter of 1942 totalled 1,239,725 tons, or nearly 18,000 tons below the 1941 total of 1,257,422 tons.

Newsprint Stocks Lower at Mills

From Our Own Correspondent

MONTREAL.—Stocks of newsprint paper held by North American mills at the end of last month were 46,052 tons less than a year ago. The total of all stocks was 247,507 tons, compared with 293,559 tons at the end of March, 1941. Both Canadian and U. S. mills recorded substantial declines, while Newfoundland mills reported an increase.

Stocks of Newsprint on Hand
(In Tons)

	— Mar. 31 —	
	1942	1941
Canada	144,626	186,182
United States	11,161	18,790
Newfoundland	91,720	88,587
Total	247,507	293,559

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TORONTO, ONT.

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Pine Falls, Man. Smooth Rock Falls, Ont.
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Newsprint

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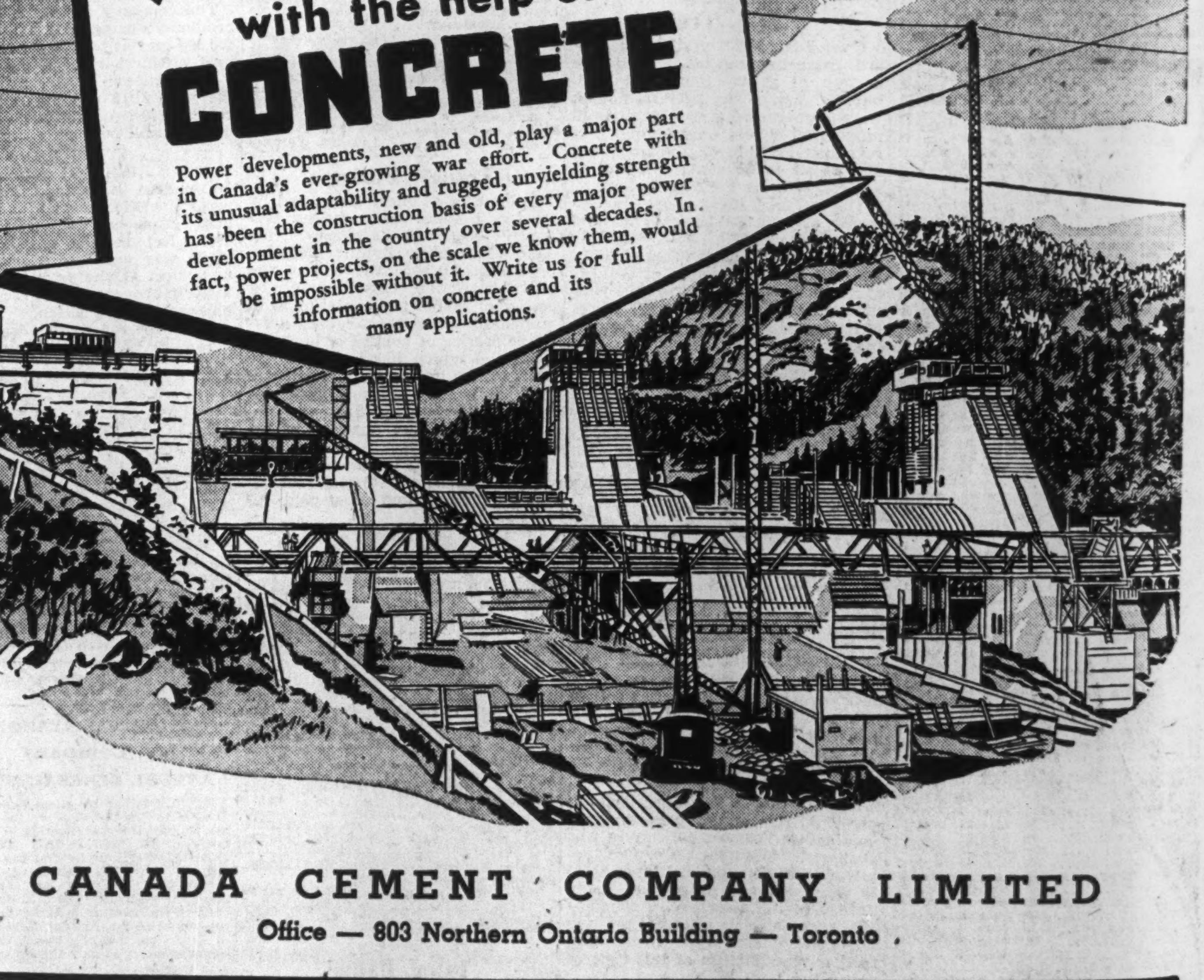

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Loans to Provinces Decline

Borrowing From Banks Lower in War Years

Borrowing by the provincial governments from the Canadian chartered banks has been showing a steady decline since the beginning of the war.

Total loans to the nine provinces at the end of February, according to the latest return to the Minister of Finance, were $10.4 millions. This compares with $12.5 millions on the same date in 1941, $14.8 millions in 1940 and $21.7 millions in 1939, six months before the war started.

Month end figures for the first two months of 1942 are lower than for the corresponding months in any of the three years preceding. In 1941, month end figures were lower than in 1940 for every month except November while the 1940 figures were lower than those for 1939 with the exception of July and December.

Increased Revenues

Main reason for the downward trend appears to have been increased revenues over all provinces. Expenditures in many cases have also been increasing but the expansion of revenues has been sufficient to take care of the increase and to enable the provinces to finance through the year with a smaller amount of borrowing from the banks.

The increased revenues come from a number of sources. Taking the figures of the Ontario budget just issued as an example, there has been a noticeable upward trend in revenues from gasoline taxes; liquor sales and income taxes.

Liquor Sales Up

The largest increase is in sales by the Liquor Control Board of Ontario. These showed an increase of over $3.1 millions during the year. Gasoline taxes also were about $1 million higher in spite of restrictions on hours of sale in the later months of 1941. While sales in the first four months of 1942 were probably higher than in 1941 right across the Dominion, the restriction on sales for non-essential purposes in the balance of the year may bring a reduction in the revenue from this source in the coming months. In some quarters, it is estimated increased purchases of gasoline for industrial and agricultural purposes in the balance of the year may offset the decline in sales for non-essential use.

Income Tax

Income tax receipts for the year ended March 31, 1942 are shown in the budget as slightly above 1941 but are estimated lower for fiscal year ended March 31, 1943. In the total figures of revenues and expenditures a surplus of $13.3 millions is shown for the fiscal year just ended. But for the next fiscal period, the estimated surplus is only $473,000.

Factors in producing this result are estimated reduced revenues from liquor sales, gasoline taxes and income taxes.

In addition to increased revenues in the year just closed an element helping to reduce bank loans was a decline in certain current expenditures although total expenditures were higher.

Saving in Relief

There has been for instance a saving in relief charges and also some slight saving in interest charges, welfare expenditures and miscellaneous expenditures. It is believed these conditions have been fairly general among all provinces. Other items however have shown increases.

At the outset of the war practically all provinces announced their intention to cut down expenditures as a contribution to the war effort. Their efforts included reductions in the number of people in the provincial civil service. Men who enlisted in the armed forces were not replaced. Highway work in some cases was curtailed. But last year in Ontario highway expenditures rose about $4 millions while increases were also shown in the amounts spent on health education, etc. In addition, expenditures in a number of departments of the government were higher.

In the last fiscal year, it is evident that expenditures increased almost at the same rate as revenues. Total income in Ontario for instance was $6.9 millions higher while expenditures rose $6.2 millions.

Apart from the total however, it is understood the promptness with which taxes have been paid and the steadier flow of revenue has tended to reduce the demand for bank credit at periods of the year when formerly provincial governments had to borrow freely to meet current expenses.

Bank Loans to Provincial Governments
(Thousands of Dollars)

	1942	1941	1940	1939
January	9,124	11,075	13,396	21,026
February	10,485	12,582	14,867	21,710
March	....	12,267	17,698	22,660
April	....	11,616	17,300	22,587
May	....	12,154	15,898	21,837
June	....	14,743	16,339	18,511
July	....	13,413	14,569	13,816
August	....	13,815	14,531	16,635
September	....	10,691	14,612	15,530
October	....	8,392	13,967	18,454
November	....	14,219	13,805	16,668
December	....	15,036	16,521	15,709

Bank of Canada Assets Lower

Repatriation of Securities Absorbs Further Amount of Sterling

Further repatriation of Canadian securities held in Britain is indicated in the statement of the Bank of Canada for the week April 8. This shows a decline in Dominion government deposits of $45 millions, which probably represents money paid over to the United Kingdom government for Canadian securities, under the repatriation plan. The reduction is offset on the credit side of the statement by a decline of $55 millions in holdings of sterling and U. S. dollars, the sterling evidently being used in the transaction.

Other changes on the credit side, included a drop of $12 millions in the bank's investments and of $5 millions in miscellaneous assets. Total assets were down $72.6 millions.

On the liability side, in addition to the drop in Dominion Government deposits, deposits of the chartered banks were down almost $11 millions, and miscellaneous deposits about $2 millions. Miscellaneous liabilities dropped $22 millions while note circulation rose $6.5 millions.

	Apr. 8 1942 $	Apr. 1 1942 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	517,383,042	510,764,493
Rest fund	5,585,705	5,585,705
Deposit: Dom.	70,303,310	115,001,329
Banks	233,797,925	244,574,214
Other	10,032,684	12,073,666
Total deposits	314,133,919	371,659,209
All other liabs.	5,666,423	27,329,910
Total liabs.	847,769,089	920,339,317
Assets		
In Sterl. & U. S.	229,607,559	285,232,559
Subsid. coin	352,096	381,648
Advances	1,000,000	1,000,000
Investments:		
Dom. gov. sh.	391,355,197	403,250,424
Other Dom. gov.	210,214,386	210,203,930
Total invest.	601,569,583	613,454,354
Premises	1,770,271	1,769,868
All other assets	13,469,580	18,500,888
Total assets	847,769,089	920,339,317

Bank Chat

Canadian chartered banks received no selling commission of any kind on sales of Victory bonds made through their branches in the recent Victory Loan campaign, according to a statement made in the House of Commons by Hon. J. L. Ilsley, Minister of Finance. Mr. Ilsley stated, however, that the government would pay a service fee for the various services the banks rendered in entering subscriptions and handling the payments and delivery of the bonds to the purchaser. This service fee, he indicated would be at the rate of ¼ of 1% of the par value of the bonds serviced by each institution calculated in accordance with the regulations. He indicated the same policy would be followed regarding trust and loan companies, Quebec savings banks and other savings institutions, Province of Ontario savings offices, Alberta treasury branches and La Federation des Caisses Populaires des Jardins.

Weekly Bank Clearings

	Apr. 9 1942 $	Change year ago %	Apr. 2 1942 $
Halifax	2,956,926	—6.6	4,158,654
Saint John	3,091,013	+36.1	2,501,790
Moncton	894,305	+13.6	1,182,368
Sherbrooke	929,101	+11.8	1,028,388
Quebec	4,451,047	—3.6	5,759,586
Montreal	82,557,123	—7.4	154,704,562
Ottawa	86,689,457	+42.3	59,943,514
Kingston	732,647	+7.9	676,711
Peterborough	669,395	+10.5	899,750
Toronto	112,439,746	+15.1	153,592,954
Hamilton	5,743,960	—3.8	8,988,552
Kitchener	1,111,106	+14.8	1,355,436
Brantford	900,546	—0.5	1,133,493
London	2,356,907	+1.6	3,073,163
Chatham	570,456	—8.6	......
Windsor	3,024,852	—2.7	4,082,684
Sarnia	370,835	—24.1	539,228
Sudbury	884,134	—10.8	1,125,884
St. Catharines	943,025	...	1,423,300
Fort William	1,033,955	+14.4	1,110,429
Winnipeg	40,696,132	+30.4	44,396,033
Brandon	377,926	+16.2	374,629
Regina	3,417,875	—14.1	4,210,767
Moose Jaw	507,637	—11.2	666,365
Saskatoon	1,474,898	+17.7	1,643,494
Prince Albert	439,190	+18.2	494,518
Edmonton	4,683,993	+5.9	6,979,353
Calgary	5,586,168	—9.8	6,109,692
Lethbridge	653,546	+12.9	568,646
Medicine Hat	307,038	—16.5	315,007
N. W'minster	703,494	—11.6	856,016
Vancouver	14,551,164	—20.7	24,963,619
Victoria	1,479,294	—19.8	1,931,162

Company Reports

Imperial Oil

An all-time peak in volume of crude oil processed and products sold was reached by Imperial Oil Ltd. in 1941, states G. H. Smith, president. The increase was accounted for principally by additional requirements of aviation fuels, lubricating oils and fuel oils.

Net profits from all sources, were 59.87 cents a share against 65.41 cents a share in 1940. After payment of 50 cents a share in dividends, $2.7 millions was added to earned surplus.

It was found more convenient to carry on marine operations as a department of Imperial Oil rather than through a separate company. Assets and liabilities, and operating results of the marine department are accordingly included in the accounts of Imperial Oil in 1941. Principal effects of this on the balance sheet are a reduction in investment in subsidiary companies and an increase in capital assets and depreciation reserve. In the profit and loss accounts, operating results for the marine department are shown separately as income from transportation in 1941. In 1940 the corresponding income was included in dividends received from subsidiary companies.

A further $3.4 millions was appropriated from 1941 earnings as reserve against possible future depreciation of inventory values. Accumulated reserve now equals 18.32% of laid-down cost of inventories of crude oil and refined products.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Income from:		
Can. refin. & mktg.	14,919,960	15,627,104
Less: Depreciation	4,078,401	3,940,991
Can. inc. taxes	5,604,359	4,756,288
Net Can. income	5,237,200	6,929,825
Transportation	6,584,676	*
Less: Depreciation	582,086	*
Can. inc. taxes	2,432,814	*
Net transport. inc.	3,569,776	*
Subsid. divds.§	10,325,337	13,774,075
Less: Can. inc. taxes	3,195,572	3,022,845
Net from subsids.	7,129,765	10,751,230
Net profit on securs.	330,047	320,993
Int. on annuity res. (net)	†134,301	†179,472
Less: Can. inc. taxes	11,583	183,859
Net profit	16,144,069	17,638,717
Less: Dividends	13,482,539	16,853,174
Surplus for year	2,661,530	785,543
Add: Prev. surplus	35,457,696	34,672,153
Earned surplus fwd.	38,119,226	35,457,696

*Not shown separately in 1940. Dividends of $1.7 million paid by Imperial Oil Shipping Co. out of 1940 net earnings of $2.1 millions. †Debit item.

Note:—Exec. sals., & legal costs	269,187	277,620
Legal cost capitalized	1,774	2,591

§Company's proportion of subsidiaries' net profits exceeded dividends received in 1941 by $2.3 millions; in 1940 dividends exceeded net profits by $1.3 million.

Earned per Share:	c	c
Can. ref. & mktg.	19.42	25.70
Marine dept.	13.24	6.30
Subsid. divds., etc.	27.21	33.41
Total	59.87	65.41
Paid	50.00	62.50

Working Capital

	$	$
Current assets	79,968,813	64,381,180
Current liabilities	23,201,433	19,319,256
Working capital	56,767,380	45,061,924

Balance Sheet Changes

	$	$
Cash	18,252,716	6,063,481
Bonds at market	5,646,279	9,665,077
Accts. rec., trade	17,250,969	15,091,976
Accts. rec., other	1,509,977	170,230
Inventories	37,308,872	33,390,416
Subsid. co. shs. (less res.)	41,431,660	49,878,532
Fixed assets	128,721,607	115,029,338
Less: Deprec.	85,617,872	73,785,888
Accts. payable	10,065,678	6,059,752
Reserves:		
Insurance	10,941,227	9,802,621
Inventories	6,136,996	2,722,099
Employees' annuit.	9,657,331	11,032,493

United Steel

All plants of United Steel Corp., including new extensions completed last year operated at full capacity in 1941, states T. J. Dillon, president. Large volume of contracts are on the books now, providing a substantial backlog of continuing increases in production.

The financial statements for 1941 include for the first time profit from operations of two former subsidiaries, Standard Steel Construction Co. and Farand & Delorme Ltd., assets of which are now owned by the company, making comparison with previous years difficult.

Net profits for 1941 are equivalent to 99 cents a share on the class B common shares on which no dividends were paid. Balance sheet reflects the acquisition of subsidiary assets and sale of $900,000 of 5% first mortgage bonds.

Income and Surplus Account
Year Ended Dec. 31, 1941

	$
Operating profit	1,717,419
Add: Invest. income	11,571
Total earnings	1,728,990
Less: Depreciation	260,264
Exec. & legal	135,503
Bond interest	43,125
Directors' fees	6,550
Tax provision	784,594
Life insurance	615
Net profit	498,338
Less: Class A divds.	34,137
Surplus for year	464,201
Add: Previous surplus	727,597
Less: Diff. from subsid. pur.	192,436
Organization exp.	28,734
Earned surplus forward	970,629
Earned per Share:	
Class A	$21.90
Paid	1.50
Class B	0.99

No dividends paid.

Working Capital

	$
Current assets	3,526,232
Current liabilities	1,965,523
Working capital	1,560,709

Canadian Dredge

The past year saw Canadian Dredge & Dock Co. able to obtain but very little of its usual business of dredging and harbor improvements. As a result a number of its dredges have been idle, states F. W. Grant, K.C., president. Net operating loss of $32,977 was approximately the same as in 1940.

One complete unit has been employed on a rental basis in the near Atlantic. Some tugs and derricks have been rented to the government, largely in the latter part of the year.

Consol. Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Operating profit	79,223	35,057
Less: Depreciation	90,000	45,000
Directors' fees	......	1,000
Exec. remun.	22,200	22,200
Net oper. loss	32,977	33,143
Less: Bond revenue	15,709	14,293
Interest earned	1,676	3,839
Misc. income	1,563	2,500
Net loss	14,029	12,511
Less: Prev. surplus	782,097	799,753
Add: Addit. inc. tax.	879	5,145
Workmen's compen.	4,173	......
Earned surplus fwd.	763,015	782,097

Working Capital

	$	$
Current assets	951,048	836,243
Current liabilities	224,142	112,891
Working capital	726,906	723,352

Eastern Utilities

Eastern Utilities Ltd., holding company for a group of Maritime utilities, reports income of $186,252 in 1942 and net profit of $116,419 available for dividends. Surplus funds were invested in the company's own 4½% debentures and holdings increased from $115,000 to $266,000. Outstanding amount is shown at $1.6 million, a reduction of $16,000 as a result of the first sinking fund payment.

Income and Surplus Account
Year Ended Dec. 31, 1941

	$
Dividends received:	
Moncton Electricity	89,768
Canada Electric	45,000
Eastern Electric	8,250
Joggins Coal	37,500
Loan interest	5,734
Total income	186,252
Less: Interest	62,344
Taxes & expenses	2,172
Income taxes	316
Deb. disc. w/o	5,000
Net profit	116,419
Less: Pref. dividends	15,125
Surplus for year	101,294
Add: Previous surplus	29,603
Earned surplus forward	130,897

Dominion Foundries

Dominion Foundries & Steel Ltd. is now making front line war steels such as armor plate and armor castings, both bullet proved, and gun barrels involving maximum risk under war specification, states C. W. Sherman, president.

Interruption to tin supply from Singapore caused the company to order a bonderizing plant. This plant is not expensive and gives a lacquer coating on cold rolled tin mill steel, replacing tin on the plate. Also being considered is electrolytic tinning which reduces the tin coating in comparison with the dipping process.

Mr. Sherman recognizes the need for increased capacity for steel making and also diversified finishing capacity. The company plans to do all it can to help and the government will largely provide the means for finishing war steels.

Mr. Sherman states "we expect to finish this war with added competition in some lines and added capacities in other lines and with ability to hold a fair share of the trade, be it small or large in the future."

Last year's operations brought a large gain in earnings and net profits of $2.80 a share on the common against $1.18 in 1940. During the year, 10,637 common shares were issued to employees for payments aggregating $85,950, bringing outstanding common shares to 365,013 at the year-end.

Balance sheet reflects substantial improvement in liquid position with bank loans entirely repaid and cash now over $1.2 million. Comparative details follow:

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Net earnings*	4,276,620	1,913,157
Less: Depreciation	1,778,172	891,875
Conting. reserve	227,599	......
Empl. savings fund	325,329	180,115
Income taxes	850,000	340,000
Net profit	1,095,520	501,167
Less: Pref. dividends	72,000	72,000
Common divds.	456,266	365,013
Surplus for year	567,254	64,154
Add: Prev. surplus	2,636,791	2,572,637
Earned surp. fwd.	3,204,045	2,636,791
*Prior deductions include:		
Directors' fees	2,630	3,220
Legal fees	21,200	3,600
Executive remun.	101,060	98,800
Earned per Share:		
Common	$2.80	$1.18
Paid	1.25	1.00

Working Capital

	$	$
Current assets	5,490,419	3,198,781
Current liabilities	2,742,138	1,894,570
Working capital	2,748,281	1,304,211

Balance Sheet Changes

	$	$
Cash	1,222,278	4,315
Accts. receivable	1,918,145	914,011
Inventories	2,349,997	2,196,530
Bank loan	......	508,704
Accts. payable	1,453,243	894,904
Trustee employ. sav.	188,297	69,019
Fixed assets	12,291,028	11,331,517
Less: Depreciation	6,367,802	4,635,558

Chemical Research

Chemical Research Corp. reports income from interest of $95 in 1941 and expenses of $4,911, leaving a net loss for last year of $4,817.

A. W. Wallace, vice-president, reports that operations for the last several years has been circumscribed by national and international conditions. No new refineries are now being erected by private capital and governments are taking more and more control over the productive operations to which the gyro process is applicable Latest development is in synthetic rubber. The company is making strenuous efforts to induce governmental authorities to use the gyro process in this rubber production, but is stated to be facing "the opposition of many of the large oil interests."

Mr. Wallace states that the Gyro Process Co., the subsidiary, has several suits pending for recovery of moneys of which it claims to have been illegally deprived.

Balance sheet of Chemical Research at the end of 1941 shows cash of $1,599, and liabilities of $71,860 of which $19,103 is an account payable to the Gyro Process Co., and $51,376 is a liability to D. C. Pennington, trustee, including accrued interest. Investment in Gyro Process Co. is shown at $7.2 millions and goodwill at $747,000.

Gyro Process Co.'s balance sheet at the end of 1941 showed total current assets of $140,845 and liabilities of $113,943, with total assets of $417,733.

Morrison Brass

Morrison Brass Corp. reports a gain of 45% in business volume in 1941 over 1940. Further equipment additions and subcontracting to 25 outside shops made this possible. About 70% of business done was in production of marine valves and marine specialties.

Capacity to produce marine valves and specialties will be approximately doubled when a new plant is in operation about the middle of April, 1942. This addition was undertaken following negotiations with the Department of Munitions and Supply and with government aid in financing. Continuation of capacity operations will depend largely on extent and duration of the shipbuilding programme, states J. L. McSweeney, president.

Income and Deficit Account
Years Ended Dec. 31

	1941 $	1940 $
Operating profit	204,289	141,182
Less: Exec. & legal	28,567	23,505
Bond interest	11,377	11,587
Depreciation	45,969	24,842
Spec. deprec.	......	13,254
Bad debt prov.	11,441	25,492
Income taxes	57,500	14,875
Net profit	39,415	27,627
Less: Previous deficit	88,899	101,391
Loss on assets	6,835	6,766
Bad debts w/o	70,000	7,720
Prior year taxes	......	462
Adjustments	......	187
Deficit forward	116,319	88,899
Earned per Share:		
Preferred	$1.31	$0.92

No dividends paid; in arrears from June 1, 1931.

Working Capital

	$	$
Current assets	636,336	682,693
Current liabilities	529,656	575,563
Working capital	106,680	107,130

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Steep Rock "Clears the Decks"

Settles Four Big Problems – Working on Transportation

A major step forward in plans for placing the great hematite iron ore deposits of Steep Rock Iron Mines in production was marked this week when Attorney-General Gordon C. Conant introduced into the Ontario Legislature a bill embodying several separate agreements which, in effect, mark disposal of four of the chief problems faced in reaching production.

The points which will be settled by the bill are:

1. Provision by the Hydro-Electric Power Commission of Ontario of power line facilities at a cost of $1 million to Steep Rock with the company placing a $600,000 guarantee for fulfillment of its contract.

2. Arrangements by Steep Rock to provide the M. & O. Paper Co. with 10,500 h.p. to compensate for loss of this power from the M. & O. Seine River Power Co. development which will be inoperative with the diversion scheme in effect.

3. The empowering, by inference, of Steep Rock Iron Mines to proceed with diversion of the Seine River, and finally,

4. The clearing of the way for Steep Rock to carry out drainage of Steep Rock Lake as a preliminary to mining the high grade iron ore deposits outlined by $1.2 million of drilling and development below it.

In introducing the bill into the Legislature, Mr. Conant revealed the substantial progress made in Steep Rock negotiations as follows:

"We have been assured," he said, "that the Dominion Government will grant priorities for the necessary materials to develop the property. In transportation, it is fortunate that the lake lies 4½ miles from the main C.N.R. line between Port Arthur and the Rainy River.

"This is probably not only one of the most important iron ore deposits on the North American continent, but it is also one of the most unique in that the ore body lies under Steep Rock Lake and it is necessary, before ores can be produced, that the lake must be dewatered."

The question of ore transportation and provision of terminal dock facilities is now occupying the attention of the Steep Rock management, it is understood, and a solution of this problem would probably allow an early commencement of work.

Steep Rock plans call for diversion of the Seine River around the M. & O. power development and drainage of 150 billion gallons of water from Steep Rock Lake. It is thought that while engineers' estimates place a two years' minimum on placing the property in production, it may be possible to take out the first iron ore a year from this fall.

A well-informed source close to the Steep Rock picture has this to say about the situation as it stands now and the question of ore transportation that faces the company:

Composing of the power situation was a most difficult Steep Rock problem.

There was never any desire to be responsible for disturbing the M. & O. operation which after all has been an important newsprint enterprise for a great number of years and required the power which must perforce be destroyed if the Steep Rock Iron ore deposits are to be brought to production. Under the arrangement completed, which was made possible through the good offices and understanding of the Ontario government and the Hydro-Electric Power Commission, it was possible for Steep Rock to arrange to replace the power that M. & O. would lose with other power without cost to the M. & O. enterprise. Their position is not being disturbed as far as regular operation is concerned.

Comes Within Estimates

The arrangement in its effect, as far as Steep Rock capacity and operating costs go, conforms with original estimates submitted to potential Steep Rock associates for financing. There are other important factors to be ironed out but the adjustment of the power problem should be helpful in disposing of the remaining problems, it is felt. These are now engaging the attention of Steep Rock officials.

In the United States, $2 millions would be a high figure for opening up an iron property. In the Steep Rock case, it is estimated that $6 millions must be provided apart from railroad and terminal facilities. In the United States, the transport of iron ore is eagerly sought after by railroad companies and they are always anxious to provide spur connections and dock facilities to ensure the movement of the ore from pit mouth to the hold of the vessel.

The iron ore business is highly competitive and transportation, both rail and water, to Lake Erie ports forms a large part of the cost. The railway and water rates in the United States are fixed on a definite basis and to make Steep Rock ores competitive, these rates must be reasonably met. Hence, in order for Steep Rock to have its ore competitive, all of these factors must be satisfied in the aggregate, otherwise the company's potential associates cannot from a business standpoint be interested. These things are in course of negotiation and constitute the most urgent problem at the moment standing in the way of starting on the proposed programme at Steep Rock. The question of taxes has already been settled.

Drill Horizontal Wells In Pennsylvania Field

Horizontal oil wells—as advocated by Leo Ranney, their inventor—are to become a reality in the Pennsylvania oil fields.

This type of well, as planned by Mr. Ranney was described in The Financial Post some time ago and is of special interest to Canadians since it has been recommended by Mr. Ranney as particularly feasible for the Vermilion and Wainwright fields where drilling depths are relatively shallow and gas pressure is not particularly heavy.

The "horizontal oil well" calls for the sinking of a central shaft and drilling from the bottom of the shaft of a series of horizontal holes or "wells" radiating out like the spokes in a wheel. If desired, gas or steam can be introduced into alternate holes to increase the flow of oil available by this type of operation.

The Pennsylvania test will be put down in the Middle district. The central shaft will go down to a depth of 400 ft. which will take it into the oil sand. The working chamber at the bottom will be circular and 27 ft. in diameter. The shaft will enter the chamber at one side and no gas or oil will be allowed to enter the shaft or chamber.

From the chamber, holes three inches in diameter are to be drilled horizontally for distances up to 2,000 feet.

Under the proposed plan, the oil will flow by gravity from the horizontal holes into a pump at the bottom of the working chamber, by which it will be lifted to surface. Before the war, it was estimated that sinking of such a shaft would cost about $25,000 with an additional $15,000 for the working chamber and equipment at the bottom of the shaft. It is believed that recovery of oil from a shaft will obviate the need for sinking of a considerable number of wells to develop the same quantity of land and it is also thought that recovery of oil per acre will be much higher than by the ordinary type of well.

The Middle district of Pennsylvania is felt to be the best place for testing. Oil sands there are the shallowest in the Pennsylvania district and reserves recoverable are stated to be greater than for any other section of Pennsylvania. The Venango Development Co. which will carry out the drilling will be financed by a number of producing, refining and marketing companies.

Sees Turner Valley Life Likely to be Longer

That the modified Dr. Grainger Brown plan for taking production from Turner Valley will have the effect of prolonging life of the field as a whole and the total production —and royalty payments—of the individual oil well was the view expressed by a leading oil royalty operator, Clifton C. Cross, this week.

Mr. Cross believes that while the plan as now in effect may result in somewhat lower royalty payments initially, a great deal more will be realized in ultimate royalty payments by having gas conserved. Under the Brown plan, the onus is on the individual operator to see that his wells are operated economically.

Extensive "wildcat" drilling of outside structures is seen by Mr. Cross as possessing strong possibilities of extending the western oil picture. Entry of a large number of United States operators into the western Canada oil business, prospecting potential oil ground all the way from Manitoba to the foothills of Alberta, is believed to represent a greater appreciation of Canada's oil possibilities — and the growing urgency for developing crude supplies near the markets where they will be consumed.

North end drilling within the next few months will tell just how extensive oil resources in the north end are. Ace No. 2 well which, as reported last week, has found formations "logging" unusually deep has received certain income tax concessions from the Dominion government. Announcing the tax concession, the Department of Finance made the following statement:

"It is considered that the additional drilling contemplated will furnish definite information which will be of great value to those who are at present drilling or contemplate drilling in the same area, which is outside the proven Turner Valley field. If the information obtained as a result of the additional drilling indicates that oil is not likely to be found at reasonable depths in this area, then useless expenditure of money in other wells may be avoided and thus be made available for proving up other areas in Alberta where chances of finding oil may be more favorable."

It is too early to state just what the situation will turn out to be in the north end but too great an importance should not be attached to results obtained at a single well such as Ace No. 2. It is possible that this well may prove to be down the east flank on structure not so much indicating that formations are very much deeper but that this individual well may have to go down far to contact production.

At 7,100 ft. depth, Ace No. 2 is believed to be close to the grit bed marker usually encountered around 5,000 ft. Drilling is expected to be resumed shortly.

An encouraging north end development is the confirmation of the grit bed marker at 5,880 ft. depth at the Major No. 12 well which is approximately 3½ miles north of most northerly producer Atlas-British Dominion No. 2 well and 4½ miles south of the Ace No. 2 well. This grit bed depth of 5,880 ft. is somewhat lower than at the Major Nos. 1, 2, 3 and 4 wells but a considerable number of other Turner Valley producers have had to go much deeper than 5,880 ft. in other parts of the field before reaching the grit bed.

Location of the grit bed in this well is particularly encouraging for the stretch north from the Atlas-British Dominion No. 2 well and in the immediate neighborhood of the Major No 12 well. Only the drills, of course, can tell the real story of the north end. There is stated to be geological belief for thinking that lower formations in the north do not run as thick as further south. If this proves to be the case, it could be of first class importance.

PRODUCING WELLS — PRICES AND PAYMENTS

	Mar. daily allow. bbls.	Apr. daily allow. bbls.	Jan. roy. pay. 1% $	Feb. roy. pay. 1% $	Paid to Feb. 28 1% $	Dealers offering price† 1%
Ace No. 1 gross	593	553	303.71	269.38	1,929.43	$7.400
Alta. Oil Inc. No. 1 gr.	143	122	78.80	61.60	3,764.00	3,000
Do., 1 net	143	122	60.00	50.80	3,129.20	1,500
Do., No. 2 gr.	555	565	240.80	214.80	4,091.60	7,500
Do., No. 2 net	555	565	225.60	196.00	4,207.40	6,700
Allied No. 1 pfd.	100	100	37.21	36.71	392.09	1,700
Arrow No. 1 net	200	191	88.40	81.20	1,053.20	2.400
Do., No. 2 net	207	209	82.40	76.80	975.80	2,500
Atlas-Br. D. No. 2 pfd.	909	752	....	....	....	9,100
D. & D. net pfd.	87	85	36.40	29.60	1,558.60	1,500
Harris No. 2 gross	90	85	45.29	41.15	2,286.18	2,500
Do., No. 2 pfd net	90	85	34.16	32.20	2,002.30	1,750
Independent No. 1 p.	252	250	131.93	114.30	1,016.59	3,800
Do., No. 1 gr.	252	250	98.34	85.29	1,248.64	4,100
Major Oil No. 1 pfd.	171	160	54.00	82.80	136.80	2,300
Do., No. 1 gr.	171	160	98.40	76.00	1,032.40	2,600
Do., No. 2 pfd.	805	759	525.60	483.20	1,709.60	8,500
Do., No. 2 gr.	805	759	394.40	358.80	2,230.40	10,000
Do., No. 2 dfd.	805	759	....	....	......	6,000
Do., No. 3 pfd.	1,009	936	691.20	648.80	1,940.00	10,000
Do., No. 3 gr.	1,009	936	504.00	464.00	2,068.40	....
Do., No. 3 dfd.	1,009	936	....	....	......	7,300
Do., No. 4 pfd.	647	585	....	....	......	6,900
Do., No. 4 gr.	647	585	26.80	483.60	510.40	8,000
Miracle No. 1 pfd. net	791	759	523.50	486.86	2,520.72	8,300
Do., No. 1 dfd.	791	759	....	....	......	6,200
Do., No. 1 gr.	791	759	375.05	336.43	3,840.44	10,300
Do., No. 2 pfd.	862	575	....	....	......	7,000
Royalite-Model 1 gr.	207	201	....	....	......	4,600
Sunset No. 1 gr.	107	105	52.29	47.15	6,658.82	2,500
Do., No. 2 gr.	91	85	40.36	36.64	3,791.86	2,000
Twin Valley No. 1 gr.	181	181	84.15	74.86	1,645.81	4,300
United Assets (deb.)	210	175	....	....	......	100
Vulcan Brown gr.	173	141	80.80	110.50	7,801.35	4,300
Do., net	173	141	45.52	63.00	5,058.32	3,100
Winalta No. 1 pfd.	108	106	62.80	53.20	3,059.90	1,800
York No. 1 gr.	98	94	50.64	47.43	4,553.48	2,250
Do., No. 2 gross	96	85	36.00	33.60	1,577.60	2,250

†Approximately 20% over dealer's bid prices usually.

DRILLING WELLS — PRICES AND DEPTHS

	Drilling depth ft.	Offering price per 1%
Ace No. 2 pfd.	7,105	*$4.375
Adanac pfd.	2,211	*4,375
Admiral No. 1 pfd.	3,143	*4,375
Admiral No. 1 gross	3,143	5,000
Bonaventure pfd.	4,688	*4,375
Candn. Deposit. No. 1 pfd.	356	*4,375
Candn. Deposit. No. 1 gr.	356	5,000
Drillers & Prod. (unit) No. 1 & 3	prod.	106
Ensign No. 1 pfd.	....	*4,375
Hastings No. 1 pfd.	4,921	*4,250
Inland Sarcee No. 1 pfd.	5,182	3,800
Inland Sarcee No. 1 gr.	5,182	5,000
Lion-Davies No. 1 pfd.	925	*4,200
Major Oil No. 5 pfd.	3,910	*4,375
Major Oil No. 5 gr.	3,910	5,500
Major Oil No. 6 pfd.	5,630	6,700
Major Oil No. 6 gr.	5,630	7,900
Major Oil No. 7 pfd.	5,512	6,800
Major Oil No. 7 gr.	5,512	7,900
Major Oil No. 8 pfd.	6,338	6,800
Major Oil, No. 8 gr.	6,338	7.900
Major Oil No. 9 pfd.	7,131	*4,375
Major Oil No. 9 gr.	7,131	5,000
Major Oil No. 10 pfd.	5,869	*4,375
Major Oil No. 10 gr.	5,869	5,000
Major Oil No. 11 pfd.	4,174	*4,375
Major Oil No. 12 pfd.	6,295	*4,375
Major Oil No. 12 gr.	6,295	5,600
Miracle No. 3 pfd.	1,940	5,800
Northclonmel No. 1 pfd.	750	*4,375
Northcross No. 1 pfd.	2,455	*4,375
Northcross No. 1 gr.	2,455	4,800
Northend Pete. No. 1 pfd.	6,415	5,300
Northend Pete. No. 1 gr.	6,415	6.000
Northend Pete. No. 2 pfd.	2,703	5,000
Northend Pete. No. 2 gr.	2,703	5,600
Northend Pete. No. 3 pfd.	4,892	5,300

*Pegged price.

The Week In Oils

From Our Own Correspondent

CALGARY.—Those charged with the responsibility of seeing the Alberta oil industry plays the greatest possible role in fueling the nation's war machine are keeping close tap on four factors these days. They are concerned with:

(1) The scale of, and success of, new oilfield development.

(2) The current rate of, and likely future rate of, oil production.

(3) The amount of, and condition of, crude oil and refined products stocks stored on the surface, and available for immediate use; and,

(4) The varying demands for oil products for immediate use, both military and civilian.

Looking over the oil industry today, they find oilfield development at a high level, production at a record level, but with surface stocks of crude and refined products at lower than healthy levels, with demands for essential needs running into record proportions.

They find grounds for satisfaction in achievements made, but no grounds for complacency in the next few months to come.

* * *

Demand Not Met

Oil production is high, but not yet nearly high enough to meet all demands that will be made for it. Many wells are drilling, but there are hardly enough working in proven territory to do more than offset the normal decline in present producers. Many wildcat areas are now being drilled, or are to be surveyed and/or drilled this summer, but oil strikes that may be made must be followed by months of follow-up drilling before flows of new oil can be measured in major quantity.

The highest daily averages to date in Alberta's history, crude oil and natural gasoline production during February, 1942, averaged 29,770 bbls. per day, with daily average return from sales amounting to $45,543, the Conservation Board reported this week. Alberta's total production in the short month of February was 833,552 bbls., while total revenue from oil sales was $1,275,194.

In January, 1942, Alberta's production totalled 862,284 bbls., 27,815 bbls. per day. Following is a comparison by fields between the two latest months of record:

Source:	Jan. bbls.	Feb. bbls.
Turner Valley:		
Limestone oilwells	816,704	792,110
Naphtha wells	3,276	2,980
Shallow oilwells	586	406
Natural gasoline	32,121	30,340
Total Turner Valley	852,687	825,836
Red Coulee field	959	755
Wainwright field	1,196	1,163
Vermilion field	2,964	3,795
Del Bonita field	204	220
Dina field	......	800
Princess field	3,268	176
Lloydminister field	477	......
Taber field	529	809
Totals for Alberta	862,284	833,552

* * *

March a Good Month

Alberta's production during March, 1942, closely tallied the record set in February, while the production estimate for the first week of April, 1942, indicates a drop of about 1,000 bbls. per day.

The preliminary estimates for weeks ended at 8 a.m. on the following dates are as follows (estimates are in barrels per day):

Week Ended:	bbls.
Mar. 9	29,649
Mar. 16	30,805
Mar. 23	29,420
Mar. 30	28,621
Apr. 6	28,659

* * *

Stocks Lower Now

January and February's heavy production brought considerable improvement in Alberta's crude oil and refined products stocks but the latest reports available show that stocks are still somewhat under those on hand a year ago—not a particularly bright picture with the heavy spring farm requirements just around the corner, and with military requirements at a high level.

Crude oil and natural gasoline storage as at March, 1942, amounted to 486,179 bbls., an increase of 104,543 bbls. over Feb. 1, but down 24,078 bbls., as compared with March 1, 1941. Stocks of refined products amounted to 1,035,042 bbls. as at Feb. 1, an increase of 107,878 bbls. over Jan. 1, but down 232,585 bbls. compared with February 1, 1941.

* * *

Imperial Stakes Test

The Imperial Oil group's initial deep drill-test in Saskatchewan, has been staked in L.S.D. 16 36-5-19w2, midway between the railway points of Radville and Ceylon in southern Saskatchewan. The well will be known as the Radville No. 1. Cellar is now being dug, and a new heavy duty rotary rig is en route from the United States. If necessary, the test will be carried as deep as 10,000 ft.

In addition to the Radville test, the Northwest Co. and Norcanols Oil and Gas will continue survey work this year in southern Saskatchewan. A seismic survey party and either two or three geological survey parties are expected to arrive in the field next month.

Unofficial reports this week indicate that seismic survey parties engaged by Shell Oil of California have arrived in Alberta, and have started work on the company's reservations east of Okotoks and High River, and north of Drumheller.

McColl-Frontenac's Oyen-Monitor test has reached the Madison limestone, encountering a dry gas flow the Chert overlying it, and is now drilling ahead in the lime below of around 4 million cu. ft. daily in 3,072 ft.

* * *

East Flank Productive?

Is there an oil-productive east flank to Turner Valley? Major Oil Investments No. 9, the east offset of the Foothills No. 10 producer in the north extension area, assumed a new importance this week as it drilled on to find the answer to that question. Drilling is now proceeding below 7,200 ft., 580 ft. below the depth at which offset Foothills 10 reached the Madison lime. Major 9 topped the Home sand marker at 5,620 ft., entered the Dalhousie at 6,260 ft., found the Home sand again at 6,620 ft., and re-entered the Kootenay formation without showing any further Dalhousie at a depth of 7,020 ft.

Dr. J. O. G. Sanderson, in his predrill report on the Major 9 location, indicated that the well might reach the lime as shallow as 6,300 ft. if it found the Madison at the crest of the structure, or as deep as 7,800 ft. or more if it missed the crest and drilled down the east flank. Just what has happened to date at the well was covered in Dr. Sanderson's report. After commenting that the lime might not be found before 7,800 ft., 3,800 ft. below sea level, the geologist stated: "It is our expectation that the limestone will be found in a simple undeformed section. . . It is our opinion that the lime occurs under this property at feasible drilling depth, and that it will be found to contain commercial quantities of oil and gas."

* * *

Three New Tests

Three more tests spudded in the north Turner Valley extension area this week. Canadian Depositors No. 1, in L.S.D. 2 14-22-4w5, was technically spudded in March 31, was delayed for several days while rigging was completed, but by Friday was drilling ahead at 356 ft. Northclonmel Royalties No. 1, in L.S.D. 16 7-21-3w5, was spudded recently and recently was making hole at 750 ft. These two wells are being drilled under contract by General Petroleums Ltd. Atlas-British Dominion No. 3, in L.S.D. 3 17-21-3w5, was spudded in April 8 by contractor Atlas Drilling Co. and on Friday was drilling at 112 ft.

Move Equipment From Big Missouri Mine

From Our Own Correspondent

VANCOUVER.—The underground mill at Big Missouri gold mine near Stewart, B.C., one of the few of its kind on this continent, is being closed down and dismantled, according to a decision reached by Consolidated Mining & Smelting Co.

This marks the closing chapter of the story of an unlucky venture, for the Big Missouri never did prove much of a revenue-producer. Its only hope for success lay in ability to handle heavy volume of low grade ore from Big Missouri mountain at low cost. The war made the Big Missouri enterprise even less profitable than it had been in peacetime. The mill had a capacity of 700 tons daily, but lack of water often made it necessary to suspend operations. Grade of ore was erratic.

Big Missouri was operated by Buena Vista Mining Corp.

Mining INVESTMENTS

Tungsten is beginning to flow from more and more Canadian gold mines as a war effort and an appreciable production of this metal may be built up before the war is over. In its annual report this week, McKenzie Red Lake Gold Mines reports that equipment is being installed to recover tungsten. A 120-ton tungsten mill is being installed at Hollinger and Little Long Lac is installing recovery equipment.

Many gold mines are finding some tungsten in their veins and where the content is not sufficiently high to warrant installation of special equipment, shipments of the rich crude materials are being made to the government mill at Ottawa. In British Columbia the Red Rose tungsten property of Consolidated Smelters is now in production and signs of an increased interest in the search for tungsten deposits in B.C. are not lacking.

* * *

Uchi bonds this week sold down to $20 on the Toronto Stock Exchange. For some time, Uchi has been working against difficulties in an attempt to overcome its troubles but the company has had few favorable "breaks." With the war, a number of men are reported to have left the operation, causing still more difficulty.

At $20 for $100 par value of bonds, a value of only $200,000 is placed on the Uchi operation. The buildings, machinery and equipment, however, cost over $1,350,000. With the present shortage of mining equipment of any kind, it would seem that equipment alone should be worth more than the present market valuation of the bond issue.

* * *

Golden Gate Mining Co., operating at the southwestern tip of the Kirkland Lake area, is suspending operations, it is announced.

While operations at Golden Gate were never very profitable, the company for several years was able to secure sufficient revenue to continue operations and to turn up enough new ore to feed the mill. Difficulties have increased lately due to the war with the operation gradually becoming more difficult from the financing labor and supply angles. The final result is Golden Gate is a "temporary casualty" of the war.

Home Oil to Pay 15-cent Dividend

A dividend of 15 cents a share has been declared by Home Oil Co., payable June 15, 1942, to shareholders of record May 15, subject to approval of the Foreign Exchange Control Board, President R. H. B. Ker, announces.

The distribution involves payment of $264,000 and reflects the greatly improved earnings arising from the larger than average wells drilled in the north end of Turner Valley. Dividends were previously paid in 1929 and 1930, the last previous being one of 25 cents a share on May 5, 1930.

Malachewan Consolidated Mines is now treating 1,000 tons of ore daily, following expansion of capacity, shareholders were informed at the annual meeting. While extraction has been on the low side, it is expected that this situation will be corrected shortly. Development work underground will feature a long crosscut on the 1,300-ft. level to the west boundary to investigate the porphyry ore section in that area. If results are satisfactory, sinking to a depth of 1,800 ft. will be carried out.

Company Reports

Gair Co. Canada

Gair Co. Canada, wholly-owned subsidiary of Robert Gair Co., reports a gain of about $570,000 in sales last year to $6.7 millions. Lower profits are stated by George W. Brown, president, to be largely due to the fact that the Dominion Boxboard division paperboard machine was not in operation. This machine was closed Aug. 15, 1940, because of export restrictions, resulting in a decrease of 10,000 tons in production and increased costs due to the idle mill. The company spent $245,000 on maintenance and repairs in 1941 and $227,000 on capital additions.

Production figures for 1941 compare with 1940 as follows:

	1941 Tons	1940 Tons
Paperboard	47,097	47,901
Sold	21,607	36,369
Fabricated	25,490	21,532
Pulp	11,952	7,382
Sales:		
Shipping containers	25,066	14,726
Cartons, specialties	15,337	10,179
Exports	3,000	22,500

Satisfactory volume of domestic paperboard and fabricated products was obtained in the first six months of 1941. In mid-year demand from U. S. fabricators developed. Increased domestic demand was also felt and the present shipments of fabricated products have been limited only by tonnage of board available. Continuous operation of the company's plants is assured on hand for several months. The Dominion Boxboard division is scheduled to resume operations.

Consol. Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Net sales	6,683,867	6,113,323
Less: Cost of sales & exps.	5,961,439	5,319,355
Trading profit	727,428	793,969
Add: Other income	11,514	20,881
Less: Other chgs. & min. int.	145,668	172,873
Income & E. P. tax.	315,224	400,012
Net profit	278,049	241,964
Add: Prev. surplus	875,226	633,261
Excess 1940 taxes	70,000	......
Less: Subsid. pfd. red.	3,306	......
Surplus forward	1,219,969	875,226

Working Capital

	$	$
Current assets	1,912,971	1,667,823
Current liabilities	835,152	915,262
Working capital	1,077,819	752,561

Balance Sheet Changes

	$	$
Cash and securities	186,821	160,070
Accts. receivable	766,250	552,821
Inventories	959,900	954,931
Bank loan	......	114,000

Great Eastern Oil

Great Eastern Oil & Import Ltd., St. John's, Nfld., reports a substantial increase in sales and profit in 1941. Dividends paid for 1941 totalled 7% compared with 6% in 1940 and 5% in 1939.

Outstanding are $60,700 or 6% first mortgage bonds on which interest and sinking fund payments are met regularly.

The company imports and sells petroleum products, radios, wind chargers and electrical apparatus.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Net sales	694,726	520,421
Less: Cost of goods sold	518,996	405,855
Gross profit	175,730	114,566
Less: Trading exp.	90,560	59,784
General expenses	53,268	35,520
Add: Misc. income	169	681
Net profit	31,733	19,943
Less: Dividends	10,772	8,967
Surplus for year	20,961	10,976

Working Capital

	$	$
Current assets	268,703	202,656
Current liabilities	87,489	44,714
Working liabilities	181,214	157,942

Robert Gair

Robert Gair Co., makers of containers and cartons, reports a gain of 47.3% in sales last year, not including operations of the Canadian subsidiary, Gair Co. Canada. Tonnage of paperboard products last year was up 26%. Corrugated and fibre shipping containers sold totalled 110,049 tons and cartons 65,447 tons. Taxes paid in the United States last year were equivalent to $1.64 a share on the common stock. This compares with 78 cents a share available for shareholders through net profits.

The company spent about $990,000 for maintenance and repairs to its U. S. plants last year and $900,000 on its Thames River mill.

Under the 1941 recapitalization plan, an additional $1.9 million on 6% income notes were issued to preferred stockholders. After allowing for sinking fund operation last year, a balance of $4.8 millions of these notes were outstanding at end of 1941. Full 6% interest on the income notes was paid April 1, 1942.

Regular $1.20 a share dividends were paid on the new preferred shares in 1941 and 25 cents a share on the common.

Demand for all grades of paperboard in the last six months of 1941 was in excess of total U. S. productive facilities. Increased volume was accompanied by substantial increases in raw material, labor and other costs. Price ceilings were established last year on paperboard and container prices and on the principal raw materials used. Similar action has been taken on folding carton prices.

Shortages of waste paper were felt increasingly last year, but careful measures taken to date have enabled the supply to meet demands.

Consol. Income and Surplus Account
(Excluding Gair Co. Canada)
Years Ended Dec. 31

	1941 $	1940 $
Net sales	23,393,330	15,885,643
Less: Cost of sales & exps.	20,753,597	15,216,467
Trading profit	2,639,733	669,175
Add: Other income	179,007	234,297
Less: Other charges	70,159	106,656
Income & E. P. tax.	1,337,431	144,780
Net earnings	1,411,151	652,036
Less: Income note int.	284,010	190,308
Net profit	1,127,141	461,728
Less: Pfd. divds.	223,670	......
Com. divds.	283,456	......
Surplus for year	620,015	461,728
Earned on Common	$0.78	*$0.21

*Based on 1,133,822 shares outstanding as at end of 1941.

Working Capital

	$	$
Current assets	5,537,792	4,314,814
Current liabilities	3,540,199	1,953,969
Working capital	1,997,593	2,360,845

Balance Sheet Changes

	$	$
Cash	1,116,295	792,987
Accts. receivable	1,882,099	1,356,028
Inventories	2,539,398	2,115,799
Capital assets	9,444,819	8,274,405
Bank loan	......	600,000
Funded debt	5,341,246	3,636,513

B. C. Veneer Works

Sales of British Columbia Veneer Works, Nelson, were "quite satisfactory" in 1941 with export sales well maintained, directors report. Net profits last year amounted to $8,111 against $8,645 in 1940. A dividend of 10% was paid.

Sinking fund earnings, administered by the city of Nelson which guarantees the company's debentures, have been above anticipations. The securities held have been sold at a profit and a balance will be left when the $50,000 debenture issue is paid on May 1, 1942.

Plywood stocks are stated to be small. A two-year supply of logs has been purchased for delivery in 1942. Sufficient orders are on hand to ensure satisfactory operations this year.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Sales	105,342	113,183
Add: Incr. in invent.	12,177	34,187
Int. on sink. fund	2,300	1,967
Total earnings	119,819	149,337
Less: Exps., int., depr.	111,708	140,692
Net profit	8,111	8,645
Less: Dividends	7,375	5,531
Surplus for year	736	3,114
Add: Previous surplus	8,758	5,644
Surplus forward	9,494	8,758

Working Capital

	$	$
Current assets	54,756	57,089
Current liabilities	10,650	2,090
Working capital	44,106	54,999

Canadian Tube

Canadian Tube & Steel Products Ltd., Montreal, reports operating profits of $447,554 in 1941 against $542,745 in 1940. Net profits, however, for 1941 are equivalent to $11.63 a share on the 7% cumulative preferred against $10.48 for 1940. In the latter year $83,240 was set aside as a reserve against depreciation of inventory values. This reserve was written back into surplus in 1941. 1940 profits would have been substantially higher except for this reserve.

Bank loan of $240,000 has been paid. Cash on hand at the end of 1941 was $417,848 and Dominion bonds valued at $50,000 were held.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Operating profit	447,554	542,745
Less: Exec. salaries	37,505	38,150
Dir., legal fees	8,646	7,513
Depreciation	100,000	*183,239
Tax reserve	127,000	146,669
Bad debt res.	......	10,000
Net profit	174,403	157,173
Less: Pref. divds.	105,000	105,000
Surplus for year	69,403	52,173
Add: Prev. surplus	1,062,782	1,010,608
Invest. reserve	*83,240	......
Less: Tax adjustment	1,853	......
Earned surplus fwd.	1,213,571	1,062,782

*Includes $83,240 set aside for future depreciation of inventory values in 1940 but added back to surplus in 1941.

Earned on cum. pfd.	$11.63	$10.48
Paid	7.00	7.00

Working Capital

	$	$
Current assets	1,886,174	2,001,831
Current liabilities	419,824	644,248
Working capital	1,466,353	1,357,583

Balance Sheet Changes

	$	$
Cash	417,848	7,447
Dominion bonds	50,000	......
Accts. rec. (net)	474,413	888,153
Inventories	943,913	1,106,230
Bank loan	......	240,000

Calgary Power

Calgary Power Co. financial statement for 1941 shows an increase of some $300,000 in gross revenue, but due to higher provision for taxes and depreciation, net profits available on the capital stock were almost exactly the same as in 1940, namely, 42 cents a share.

The balance sheet reflects a number of important changes consequent upon heavy capital outlays in connection with the new power plant. Expenditures on capital account last year totalled nearly $2.3 millions. Financing of this programme is reflected in the sharp reduction in cash, government bonds and the sale of debentures of partially-owned subsidiaries. During the year the company issued $1,756,000 of 5% secured notes, against which $2,195,000 of 5% first mortgage bonds are hypothecated as security. The company's own bonded debt was reduced by $1.7 million during the year.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
Gross earnings	$2,640,015	$2,338,075
Less: Expenses	927,526	760,621
Add: Other income	63,798	76,499
Net revenue	1,776,286	1,653,953
Less: Bond interest	598,569	630,897
Other interest	12,868	......
Tax provision	257,199	213,022
Depreciation	497,530	400,000
Bond discount	41,453	41,453
Net profit	368,667	368,581
Less: Pref. divds.	354,000	354,000
Surplus	14,667	14,581
Earned on com.	42c	42c

Working Capital

Current assets	$884,100	$1,777,096
Current liabilities	1,188,052	698,521
Working capital	*303,952	1,078,575

*Excess of liabilities.

Balance Sheet Changes

Cash	$75,161	$873,523
Govt. bonds	......	188,125
Property	21,992,636	19,968,067
Sub. debentures	1,032,500	1,239,882
5% secured notes	1,756,000	......
Bonded debt	9,896,500	11,550,500
Bank loan	50,000	......
Accts. payable	468,106	340,078

Mining Company Reports

Mining Corp.

While working capital of Mining Corp. of Canada showed a decrease of $295,931 at $143,633 for the end of 1941, President J. H. C. Waite points out that this is more than offset by $340,000 of loans to Jerome Gold Mines and of $45,000 to Ashley Gold Mining Corp. to enable that company to fulfill obligations under the Jerome agreement.

Net profit of $45,195 for 1941 was equal to 3 cents a share, showing little change from the $44,863 of the preceding year.

Aside from the money advanced for financing of Jerome to production, few important changes took place in the company's holdings or obligations. Shares held in Normetal Mining Corp. show a decrease of 100,000 shares at 2,386,665; 200 shares of Consolidated Mining and Smelting Co. were sold as were 26,000 shares of Base Metals and 26,500 shares of Bidgood Kirkland. Besides an increase of 331,783 shares in Jerome shareholdings, 33,750 shares of Renabie Mines, 20,992 shares of Lunward Gold Mines and 2,500 shares of Laguerre were purchased.

The company plans to co-operate in the search for war metals. No important finds were made by the company's prospectors during the 1941 season. Three parties were maintained in the field.

Normetal

By far the best year in its history was enjoyed by Normetal Mining Corp. in 1941. The company realized its first net profit—$270,214 or 7.1 cents a share—ore reserves were nearly tripled after milling a record tonnage, and the tonnage of ore and grade on the bottom level places that horizon as the best in the mine.

A bank loan of $575,000 at the beginning of the year was reduced to $250,000 at the end of the year and would have been completely wiped out except for an expansion of 150 tons in mill capacity. Paying off the balance of the loan is expected to take place about midsummer.

Balance sheet as at Dec. 31, 1941, shows current assets of $793,501 including $170,633 in stores. Current liabilities, including the bank loan, totalled $396,219, leaving $397,282 working capital. Working capital a year previous was only $26,511.

Average grade of copper in ore reserves is stated to be 28% higher than a year ago although the average zinc content is down 37.5%. No. 3 ore body is not included in ore reserves as no solution has yet been found for the metallurgical difficulties encountered in handling this ore. Operating costs in 1941 averaged $4.12 per ton and showed a tendency to rise toward the end of the year.

McKenzie Red Lake

While a substantial increase was shown in footage of ore opened, net profits of McKenzie Red Lake Gold Mines declined in 1941 with treatment of a lower average grade of ore and higher operating costs. Earnings were 8.8 cents against 11 cents in 1940.

In the hope that grade of ore treated might be raised with improved sorting facilities now being installed, President W. G. Armstrong reports that directors decided to maintain the 12-cent dividend rate but a small reduction in the dividend may now be faced.

Of 7,296 ft. of lateral development carried out in 1941, 3,683 ft. or 50% was in ore. This compares with 2,728 ft. of ore opened up in 1940 and 1,045 ft. in 1939. The new ore results were secured mostly in the new northeast sector. In the opinion of directors, the ore position has never been better.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Bullion recovery	1,000,436	1,012,551
Less: Marketing	12,278	13,164
Net production	988,158	999,387
Add: Int. & exchange	1,106	1,424
Income, invests.	3,149	2,963
Sundry revenue	1,244	523
	993,657	1,004,297
Less: Expl. & develop.	125,174	146,390
Mining	251,377	210,691
Milling	96,812	84,810
Admin. & surf. costs	62,755	56,295
Tungsten extraction	599	......
H. O. sals. & exps.	12,251	12,541
Directors' fees	1,350	880
Share transfer, etc.	6,780	4,927
Net oper. profit	436,559	487,763
Less: Depreciation	70,408	68,695
Taxes	107,229	109,185
Net profit	258,922	309,883
Less: Dividends	352,200	351,150
Deficit for year	93,278	41,267
Add: Prev. surplus	180,780	291,708
Profit on secs.	389	659
Adjustment	......	1,732
Less: Outside expl. w/o	4,002	62
McMarmac distribut.	......	71,990
Surplus forward	83,889	180,780

Earnings Per Share and Dividend Record:

Earned	$0.088	$0.11
Paid	0.12	0.12
No. of Shs. Outstand.	2,935,000	2,935,000

Working Capital

Current assets	683,252	733,723
Current liabilities	128,530	139,681
Working capital	554,722	594,042

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Its Name is Golden But Zinc is Its Product

Golden Manitou, Canada's Next Base Metal Producer, Starts About July 1

By GORDON M. GRANT

Canada's first "war measure" base metal producer—Golden Manitou Mines—is expected to turn over its plant early in July, perhaps on July 1. As a coming producer of much-needed zinc, the property enjoys a high equipment priority rating, is perhaps the only new Canadian mining operation ahead of schedule on production plans.

With the United States-owned Metals Reserve Co. contracting to buy its output of zinc concentrates and the Dominion government backing half the financing, Golden Manitou is expected to add substantially to Canada's output of zinc. Primarily a base metal operation, so much gold and silver is present in the ore that bullion production may meet all operating costs.

Exceed Rated Capacity?

Actual milling operations will be required to determine profits to be realized but a good chance exists pre-production estimates may be bettered. Mill capacity is rated at 600 tons a day but it is no secret that equipment is expected to allow treatment of at least 800 tons a day with one man in close touch with the situation predicting that 1,000 tons of ore a day will be going to the mill by the year end.

Actual tonnage will depend in large part on the length of time solutions have to be left in the tanks to recover the gold and silver values. If the time is short, tonnage treated will be large. As crushing and grinding equipment will be capable of 1,000 tons daily, treatment of 1,000 tons a day will be only a matter of extra tank capacity if gold and silver values take an unusual time to recover, it is pointed out.

Hold Down Broken Ore

Unusual aspect of this new operation in the eastern part of the Siscoe-Lamaque area is the fact substantial broken ore reserves will be unnecessary. Not more than 60 days' broken ore is likely to be kept ahead of the mill with shrinkage stoping to keep down the broken reserve. With zinc ore, it is essential to keep the zinc content of the ore from oxidizing and "gumming up" recovery processes; hence the low broken reserve.

Under the Golden Manitou contract with Metals Reserve Co., 360,000 tons of zinc concentrates are sold yearly for a two-year period from Sept. 1, 1942, at $25.50 per ton f.o.b. the mine for 55% zinc concentrates. Precious metals will be recovered as bullion, with 85% of the gold expected to be so recovered. Flotation will produce a six-to-one concentrate recovering 90% of the zinc values with the concentrate carrying upward of 55% zinc, according to tests.

A Million Tons Indicated

Development of Golden Manitou at the 200 and 350-ft. levels shows a general ore width of 17 ft. There is a total of 1,700 tons of ore indicated to the vertical foot or a total of 550,000 tons to the 350-ft. level. The shaft has recently been continued to the 500-ft. horizon where a crosscut is being put out to the north to allow opening up the deposit at depth. Close interval drilling to depth from the 350-ft. level disclosed depth continuity of the ore structures with an additional 450,000 tons of ore indicated to the 500-ft. level, or an overall total of a million tons.

Sampling results by a number of independent companies have corroborated each other fairly closely, indicating a content of 11% zinc and 0.08 oz. gold. A compilation of four independent sampling returns shows:

Sample No.:	Gold oz.	Silver oz.	Zinc %
A	0.06	4.05	11.38
B	0.07	3.39	10.87
C	0.082	...	11.41
D	0.12	3.68	11 56
Average	0.083	3.71	11.30

Based on milling of 600 tons of ore daily (probably more than 800 tons will actually be treated), it is estimated that mine development and actual mining costs will be close to $1.52 per ton. Cyanide and flotation costs will be upward of $2.65 a ton, it is figured out, including overhead and general mine expense. This would mean a total operating cost of $4.17 a ton which should be improved on at a milling rate of 800 tons daily.

With 11% zinc and 0.08 oz. gold grade of ore and indicated recoveries, a gross recovery of $9 a ton or more is suggested. This would mean an operating profit of $4.50 a ton or more equal to say $86,000 monthly at 600 tons of ore a day. The sales contract embodies a premium rate on concentrates carrying above 55% zinc and the gross value of recovery may be exceeded by up to $1 per ton.

Preparing for Mining

Preparations are now being pressed to put the mine in shape for production. Work is well advanced at the 200 and 350-ft. levels. The shaft crosscut to the north at the 500-ft. level has about 300 ft. to go but fast time is being made and drifting east and west in the ore zone at this horizon should be under way in perhaps less than a month's time. Stope development is to be carried out at this bottom level. It is expected that the ore bodies will respond to shrinkage stoping, the south or footwall being clearly defined along a contact, with the north or hanging wall being assay wall control.

In the past, extensive lateral work has been carried out on the 200 and 350-ft. levels, mainly east of the shaft, opening up lenticular ore structure over a length of 600 ft. with widths up to 45 ft. The ore bodies are found in a heavily sheared zone with a developed north-south width of 200 ft. Opening up of the 500-ft. level should result in a substantial increase in the tonnage of ore in the "proven" category. Indicated ore to the 500-ft. level of one million tons is sufficient for over 4½ years' milling requirements or nearly four years' at the 800-ton rate.

Other Possibilities Good

Possibilities of opening up ore bodies beyond the present limits of underground development appear bright both on strike and from the viewpoint of parallel occurrences. Drilling from the north crosscut at the 350-ft. level has indicated a core length of 6 ft. running 0.60 oz. gold at a point 160 ft. north of the main ore bodies. This intersection will be explored while further exploration to the west will be undertaken. This should be in interesting ground as indicated by the higher metal values in the west drift on the 350-ft. level. Over a drift width of 5 to 6 ft., a length of 60 ft. runs 0.45 oz. gold per ton.

Use Bond Financing

Bonds have been the vehicle for financing Golden Manitou. A total issue of $850,000 6% five-year bonds was created. Of these $425,000 of series "B" bonds were sold privately through Milner Ross and Draper Dobie & Co., Toronto brokerage firms. The remaining $425,000, series "A" bonds, are to be used only as collateral for bank advances which will be available as required, guaranteed by the Dominion government.

If results are up to minimum expectations at even 600 tons a day, the bond issue and bank advances can be cleared off in the first year of production. There is no question as to what the company will receive for its output of either zinc or gold. A special favorable agreement with the Dominion government, covering taxes, allows writing off plant rapidly and first profits will thus be available for liquidating indebtedness.

Working Profit 30 Cents

Profits after taxes may run 30 cents a share before write-offs. For the first year, earnings will be used to liquidate indebtedness but in the second year it appears possible working capital can be built up for payment of dividends. After the first two years of production, taxes will take a larger share of income, as plant write-offs vanish, but the third allowance for depletion mining companies receive, will help hold down the burden of taxes at that time.

Where Quebec Manitou Stands

When financing of production was arranged, Golden Manitou took over its present 37-claim property from Quebec Manitou Mines. All of Golden Manitou's three million share authorized capital has now been issued, half going to Quebec Manitou Mines for the property.

Quebec Manitou, which had carried out the original underground development, now holds 1.5 million shares of Golden Manitou and also retains one half of its original property holdings. The Golden Manitou shares are equal to slightly more than one Golden Manitou share for each two Quebec Manitou shares (Quebec Manitou has 2.9 million shares outstanding.) The property retained is located on strike and to the east of the acreage sold.

Golden Manitou is in the unusual position — unusual for a mining company — of having two governments partially sponsor its activities.

The United States government, through Metals Reserve Co., has contracted for most of the company's zinc output for the first two years while the Dominion government is guaranteeing bank advances covering half the cost of reaching production.

Mining Company Reports

McWatters Gold

Diamond drilling on three newly optioned groups of claims adjacent to Belleterre Quebec Mines is being undertaken by McWatters Gold Mines, the 1941 annual report reveals.

Ore reserves show little change, totalling 60.700 tons with a value of $458,255 against 45,600 tons and $446,000 a year previous.

Stoping of the 702 zone on the 900-ft. level is being carried out over a length of 270 ft. grading 0.18 oz. at a point 2,600 ft. east of the winze. Drilling below the 900-ft. level for the downward extension of this body is under way. Ore indications on the 1,100 and 1,200-ft. levels did not stand up but favorable conditions and some values were disclosed below the level.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Bullion output	337,018	408,586
Less: Development	103,846	86,982
Mining	84,724	103,851
Milling	58,998	71,019
Office expense	13,562	13,112
Exec. sals.	1,500	1,500
Directors' fees	220	220
Bullion mktg.	4,257	5,263
Sundry	23,514	24,742
H. O. expenses	3,023	3,687
Operat. profit	43,374	98,215
Add: Int. earned	3,092	1,361
Equip. profit	......	258
	46,466	99,829
Less: Depreciation	27,683	54,274
Taxes	6,046	6,537
Net profit	12,737	39,018
Add: Prev. surplus	49,646	10,628
Surplus forward	62,383	49,646
Earnings per Share and Dividend Record:		
Earned	$0.007	$0.021
None paid.		
No. of Shs. Outstand.	1,872,506	1,872,506
Working Capital		
	$	$
Current assets	368,115	335,114
Current liabilities	37,508	26,358
Working capital	330,607	308,756

Inspiration Mining

Increased investment income meant increased profits for Inspiration Mining and Development Co. in 1941. Earnings were equal to 5.7 cents a share compared with 5.4 cents the previous year.

Although new mine development was at a low level during the year, footage of diamond drilling carried out was increased from 269,270 ft. in 1940 to 291,382 ft. in 1941. Several prospects were examined during 1941 and the company participated in financing Vicour, McLellan, Hayes Cadillac, Marbenor Malartic and Croscourt.

Working capital was equal to over 63 cents a share at Dec. 31, 1941.

Company's investment portfolio includes shares in East Malartic, Malartic Gold Fields, Pascalis and also considerable investments in Hollinger, Wright-Hargreaves, Perron, Macassa, Canadian Malartic and several other companies.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Oper. income	52,931	65,445
Less: Montreal office	10,209	11,008
General expenses	4,132	2,474
Directors' fees	1,750	1,750
Net oper. revenue	36,840	50,213
Add: Invest. revenue	82,273	72,392
Profit on invests.	26,028	24,313
Sundry revenue	1,005	1,879
Net earnings	146,146	148,797
Less: Explor. & devel.	12,700	9,067
Depreciation	11,260	17,095
Income taxes	7,395	15,000
Net profit	114,791	107,635
Less: Dividend	40,000	......
Surplus for year	74,791	107,635
Add: Prev. surplus	319,671	212,035
Surplus forward	394,462	319,670
Earnings Per Share and Dividend Record:		
Earned	$0.057	$0.054
Paid	0.02	nil
Working capital	1,273,788	1,277,127

*Including $1,090,103 of listed securities with $1,125,348 market value.

Nipissing Mines

Earnings of Nipissing Mines—representing dividends from Nipissing Mining Co.—were equal to 15 cents a share in 1941 unchanged from 1940. On a consolidated basis earnings in 1941 were slightly over 20 cents a share.

Working capital at the end of 1941, excluding shares in other companies, amounted to $1,625,464. Chief source of income remains Beattie Gold Mines. Two important steel companies are stated to be considering operation with Nipissing of magnetic iron mines on the eastern seaboard owned by Croton Iron Mines controlled by Nipissing. No definite arrangements have yet been made, however.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Nipissing Min'g divds.	190,000	190,000
Less: Gen. expenses	1,428	2,006
Directors' fees	300	560
Trans. agents, etc.	7,234	6,181
Net profit	181,038	181,253
Less: Dividends	180,000	180,000
Surplus for year	1,038	1,253
Add: Prev. surplus	3,711	1,111
Surplus forward	4,749	2,364
Earnings Per Share and Dividend Record:		
Earned	$0.15	$0.15
Paid	0.15	0.15
No. of Shs. Outstand.	1,200,000	1,200,000

Nipissing Mining Co. (Subsidiary)
Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Sales	66,598	69,962
Add: Inventories	14,025	18,215
	80,623	88,177
Less: Prev. inventory	18,582	12,322
Gross prod. value	62,041	75,855
Less: Oper. exps.	69,363	71,876
Property w/o	2,211	......
Taxes	32,700	29,329
Loss after taxes	42,233	31,200
Add: Int. on bonds	56,035	53,800
Other income	121	2,284
Dividends	231,089	216,669
Int. & exchange	17,532	......
Net profit	262,544	241,553
Less: Dividends	190,000	190,000
Surplus for year	72,544	51,553
Add: Prev. surplus	1,936,967	1,844,109
Less: Loss on bonds	2,313	......
Surplus forward	2,007,198	1,895,662
Consolidated Working Capital		
Current assets	1,725,864	1,546,086
Current liabilities	100,400	91,426
Working capital*	1,625,464	1,454,660

*Excluding shares in other companies.

Sladen Malartic

While net profit almost disappeared in 1941, Sladen Malartic Mines was able to report a $150,000 increase in working capital and a decided improvement in mine position during the year.

Highlight of the year's development was results secured in the Telluride zone by diamond drilling from the bottom 950-ft. level. At the 1,175-ft. level, drilling indicates a length of 700 ft. averaging approximately $5.50 per ton across an average width of 25 ft.

Sinking of the No. 2 shaft from the 725-ft. level to 1,750 ft. was started last December. New hoisting equipment has been ordered.

Ore reserves decreased in quantity but increased in average grade totalling 730,000 tons of $4 grade at the beginning of 1942 against 750,000 tons of $3.58 grade a year before. All gold value taken at $35.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Bullion produced	867,594	863,970
Add: Other income	8,135	7,816
Gross income	875,729	871,786
Less: Development	95,946	107,848
Mining	359,444	236,996
Milling	160,082	155,543
Gen. & adm. exps.	68,787	88,648
Int. on loans	635	6,235
Marketing cost	10,543	10,229
Taxes	7,649	......
Operating profit	172,643	266,287
Less: Depreciation	72,038	66,863
Development w/o	87,253	85,581
Inc. taxes	11,500	43,237
Net profit	1,852	70,606
Add: Prev. surplus	215,475	142,220
Adjustments	1,427	2,649
Tax adjustment	12,884	......
Surplus forward	231,638	215,475
Earnings per Share and Dividend Record:		
Earned	nil	$0.02
None paid.		
No. of Shs. Outstand.	3,499,021	3,499,021
Working Capital		
	$	$
Current assets	307,786	225,117
Current liabilities	81,285	148,780
Working capital	226,501	76,337

God's Lake

While a small loss was experienced by God's Lake Gold Mines in 1941, working capital increased almost $150,000, taking securities at market value.

President R. J. Jowsey reports that no ore has been encountered in the new west shaft area which was put down to develop the projected westerly rake of the ore zone on the advice of the consulting engineers. Efforts are being centred on driving the 7th and 12th levels east from the west shaft.

Ore reserve at the end of 1941 totalled 80,000 tons averaging 0.28 oz. gold per ton compared with 151,200 tons of 0.3 oz. grade a year earlier. A total of 72,903 tons of ore was milled in 1941.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Bullion production	845,358	798,788
Less: Marketing	11,057	10,372
Development	11,660	47,900
Mining	208,080	189,145
Milling	113,019	109,632
Mining expense	103,534	70,896
Admin. & gen. exp.	23,202	23,407
Exploration	......	10,140
Taxes	807	807
Operating profit	373,999	336,483
Add: Other income	38,706	57,839
Net earnings	412,905	394,322
Less: Depreciation	240,560	207,399
Development w/o	23,390	107,652
Shaft sinking w/o	145,807	......
Taxes (income)	......	12,000
Outside explor.	6,718	55,767
Net profit	†3,770	11,504
Less: Dividends	......	87,500
Deficit for year	3,770	75,996
Add: Prev. deficit	32,852	*44,344
Directors' payment	......	1,200
Deficit forward	36,622	32,852

*Surplus. †Deficit.

	1941	1940
Earnings per Share and Dividend Record:		
Earned	....	$0.003
Paid	nil	0.02½
No. of Shs. Outstand.	3,500,000	3,500,000
Working Capital		
	$	$
Current assets*	924,402	806,843
Current liabilities	48,698	73,906
Working capital*	875,704	732,937

*Taking securities at market value.

Perron Gold

Slight decreases in earnings and ore reserves but higher working capital even after increased dividend payments were the chief developments at Perron Gold Mines in 1941.

Earnings were 24 cents against 28.2 cents in 1940 due to higher costs while ore reserves totalled 303,092 tons of 0.207 oz. grade against 320,663 tons of 0.2352 oz. grade a year before. Working capital was approximately $130,000 higher at $704,124.

During 1941 No. 5 shaft was deepened from 1,972 to 2,250 ft. Development work was concentrated chiefly on the 1,500 and 2,125-ft. levels below the 1,025-ft. horizon and several important veins are stated to have been developed or are being developed. Of ore milled, 35% came from above the 625-ft. level and it is expected this area will continue to produce an important tonnage for an extended period, it is stated. A total of 151,158 tons was milled in 1941, a new record.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Bullion recovered	1,912,033	1,897,702
Less: Marketing	22,219	22,429
Net production	1,889,814	1,875,273
Less: Min. & develop.	853,561	730,775
Milling	121,932	117,392
Admin. & gen. exp.	137,650	122,786
Oper. earnings	776,671	904,320
Add: Misc. income	41,162	11,363
Net earnings	817,833	915,683
Less: Depreciation	130,512	123,055
Taxes	211,610	228,551
Net profit	475,711	564,077
Less: Dividends	500,000	400,000
Surplus for year	*24,289	164,077
Add: Prev. surplus	618,253	549,772
Adjustment	116	15,586
Less: W/o invests.	......	111,182
Surplus forward	594,080	618,253

*Deficit.

	1941	1940
Earnings Per Share and Dividend Record:		
Earned	$0.24	$0.282
Paid	0.25	0.20
No. of Shs. Outstand.	2,000,000	2,000,000
Working Capital		
Current assets	973,744	887,019
Current liabilities	269,620	312,278
Working capital	704,124	574,741

Beattie Gold

With an especially heavy incidence of the E.P.T., increased labor costs and the cost-of-living bonus, President Thayer Lindsley informs shareholders of Beattie Gold Mines (Quebec) that dividends may be affected. Earnings in 1941 were 14 cents, a cent lower than in 1940.

A decrease of 363,500 tons to 3,880,020 tons, averaging 0.133 oz. per ton, a slightly lower grade than the previous year, was shown in ore reserves in 1941. A total of 658,500 tons of 0.1262 oz. grade was milled.

Exploration was done on three levels from the shaft sunk 571 ft. from the 6th level in 1940. A total of 170,000 tons has so far been developed in the north zone. A line drive has been put along the south contact of the porphyry at the 6th level. Cross drilling has not been done except for one hole which shows ore.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Bullion production	2,848,577	2,754,916
Less: Marketing	35,225	34,085
Net returns	2,813,352	2,720,831
Less: Development	158,905	140,004
Mining	443,856	426,708
Milling	617,311	556,749
Roaster plant	98,505	82,576
Gen. mine expense	197,324	147,430
Adm. & gen. exps.	26,226	28,044
Arsenic disposal	......	16,584
Bad debts w/o	......	6,580
Operating income	1,270,925	1,316,156
Add: Sundry revenue	10,430	9,131
Less: Securities loss	781	......
	1,280,574	1,325,287
Less: Depreciation	275,350	325,602
Prov. for taxes	311,394	276,465
Outside explor. w/o	......	2
Net profit	691,380	723,220
Less: Dividends	800,000	866,276
Deficit for year	108,620	143,056
Add: Prev. surplus	722,928	865,984
Less: Tax Adjustment	34,515	......
Surplus forward	579,793	722,928
Earnings per Share and Dividend Record:		
Earned	$0.14	$0.15
Paid	0.16	0.18
No. of Shs. Outstand.	5,000,000	4,812,648
Working Capital		
	$	$
Current assets	1,309,343	1,182,994
Current liabilities	494,944	365,997
Working capital	814,399	816,997

Mining Concentrates

Pamour Porcupine Mines earned 2.3 cents the first three months of 1942, shareholders were told by President J. Y. Murdoch. Mr. Murdoch stated it was impossible to predict earnings for the balance of the year due to uncertainties of the present labor and supplies situation. Directors realized when the last dividend was declared in October that the dividend rate would have to be reduced but preferred to continue dividends at the old rate for the time being although it meant drawing on surplus. Due to the marginal character of the large ore deposit, earnings can be affected considerably by any change in costs.

* * *

Bidgood Kirkland Gold Mines reports slightly lower production for March:

1942:	Tons milled	Tons daily	Recov. per ton	Total recov.
			$	$
March	3,640	117	9.34	33,991
February	3,591	128	10.34	37,126

* * *

Dome Mines showed an increase in production in March:

1942:	Tons milled	Tons daily	Recov. per ton	Total recov.
			$	$
March	52,300	1,687	12.08	631,717
February	48,900	1,746	12.29	600,883

* * *

O'Brien Gold Mines had a slightly higher production in the first quarter of 1942:

Quarter ended:	Tons milled	Tons daily	Recov. per ton	Total recov.
			$	$
Mar. 31/42	17,449	194	14.58	254,406
Dec. 31/41	17,975	195	14.04	252,402

* * *

Paymaster Consolidated Mines reports record production for March:

1942:	Tons milled	Tons daily	Recov. per ton	Total recov.
			$	$
March	18,544	598	8.72	161,692
February	16,831	601	8.38	141,031

* * *

Sigma Mines (Quebec) production was considerably higher in March:

1942:	Tons milled	Tons daily	Recov. per ton	Total recov.
			$	$
March	34,307	1,107	7.55	259,028
February	31,923	1,140	7.48	238,903

* * *

Sullivan Consolidated Mines reports a new record for production in the first quarter of 1942:

Quarter ended:	Tons milled	Tons daily	Recov. per ton	Total recov.
			$	$
Mar. 31/42	41,175	458	11.08	456,282
Dec. 31/41	40,218	437	9.83	395,168

Aunor Gold Mines had estimated earnings of 6.82 cents a share for the first quarter of 1941, it was reported at the annual meeting. N. C. Urquhart has been elected a director succeeding the late John A. Mitchell. Development results on the 1,125 and 1,250-ft. levels have greatly improved prospects of the property, it is stated. A dividend of 4 cents a share has been declared payable June 1 to shareholders of record May 15.

Sherritt Gordon Mines has declared 5 cents a share payable May 29, 1942, to record April 24 subject to approval of the Foreign Exchange Control Board. Ex-dividend date is April 23. Similar dividends were paid on June 25 and Dec. 15 in 1941.

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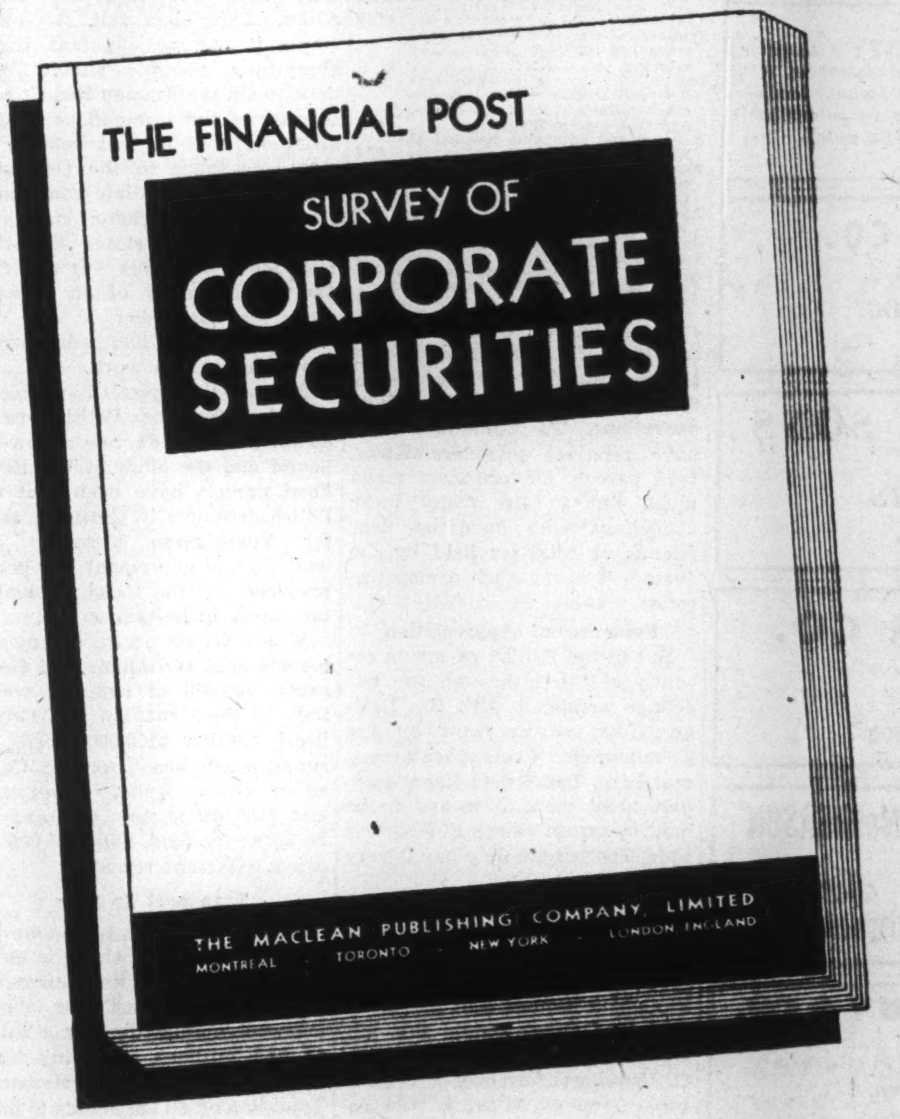
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How Much Mercy Can Your Dollars Buy?

The Canadian Red Cross Has Giant and Efficient Machine at Work

By **ARTHUR D. ELLWOOD**

Wherever disaster or war is to be found, there will also be the Red Cross doing its efficient utmost to alleviate privation, help the sick, help heal the wounded.

There is probably no organization in the world so universally recognized and so international in scope. In this great mercy body the Canadian Red Cross Society is a member of great and growing importance.

Spent $16 Millions

Since September 1939, the Canadian Red Cross Society has spent about $16 millions to provide free gifts for members of the armed forces, prisoners-of-war, British air-raid victims and disaster relief.

This huge sum has been provided from the free gifts of Canadians everywhere.

Altogether the Canadian Red Cross had a total membership of 2,060,910 at the end of 1941, or about one in every five of our total population. In addition—although probably included in this total membership—an estimated 750,000 Canadian women are donating their services free to Red Cross work. This total also includes the members of Junior Red Cross branches in practically every city, town or village across the Dominion.

The Job Doubles

Work on the wartime scale of the Red Cross takes a lot of money. This money has to come from gifts and donations of every description from Canadians. This year it has to cover work on a much extended scale. For example, currently the Canadian Red Cross is sending 40,000 food parcels overseas every week, supplying the soldiers, sailors, airmen and civilians of Canada and her Allies who are prisoners of war. This year The British Red Cross Society has asked Canada to boost this to a total of 80,000 parcels a week for prisoners in Europe alone. In addition, every effort is to be made to send parcels to prisoners in the Far East. Altogether, the Canadian Red Cross has budgetted for $3.5 millions in 1942 for this one need.

Take another example. Early last year, the Canadian Red Cross was asked by the Dominion Government to undertake organization of blood donor clinics across Canada. The objective was to provide 2,000 donations of blood weekly. By the end of the year, this service was getting well organized and about 1,700 blood donations were being received each week.

HOW THE RED CROSS WILL SPEND $9 MILLIONS

	$	%
Food parcels for British prisoners-of-war in Europe	3,150,000	
Food for Canadian prisoners in Far East	400,000	
Total	3,550,000	39.45
Hospital supplies and merchandise purchases for comforts for the armed forces and civilians	3,750,000	41.67
Disaster & emergency (Including assistance to Allied Cross Societies)	1,000,000	11.11
Blood donor service	200,000	2.22
Total war services	8,500,000	94.45
Campaign & publicity	200,000	2.22
Administration	300,000	3.33
TOTAL	9,000,000	100

Now for 1942 the request has come to increase this to 3,000 donations each week.

To Ask For $9 Millions

All these are only a few of the reasons why the Red Cross is going to ask Canadians for $9 millions in a nation-wide drive to be launched early next month.

Last year the Red Cross made no national appeal for funds. Circumstances made it impossible to conduct such a campaign but this did not mean that it rested entirely on the proceeds of its tremendously successful campaign of Sept., 1940, when $5 millions was asked and $6¼ millions given.

Every unit went on with its work and, through events and other local enterprises, raised funds during the year to a grand total of $5.4 millions.

The Red Cross is big business. It is an auxiliary of the Department of National Defense and, as such, submits its audited statements to the Auditor-General of Canada. These statements show that, from the beginning of the war to the end of 1941, the $16 millions spent by the Canadian Red Cross Society was divided as follows:

How the Red Cross Spends $16 Millions

	%
Comforts for armed forces, navy, merchant marine, air-raid sufferers, and hospital and medical supp.	43.68
Prisoners-of-war food parcels, covering cost of food supplies and shipping	10.72
Designated purposes including ambulances, mobile kitchens, blankets, hospital and medical supplies, and food sent to Britain	6.07
Building and equipping hospital at Taplow, England	5.17
Warehousing, packing and shipping in all divisions at ocean points and Great Britain	4.07
Disaster and emergencies, sundry war expenditures and grants	1.03
Campaign and publicity	2.26
Administration	3.92
Available funds remaining to finance Society to time of campaign (six months)	23.08

These figures summarize the cold facts of the job the Red Cross is doing. But they neglect entirely the intensely human side of its operations. To Canadians who have relatives prisoners-of-war, food parcels for prisoners mean much but to the many more Canadians who have no near friends or relatives held by the enemy, it is not such a close interest.

Evidence of Appreciation

But to the British prisoners recently released through the exchange arranged with the Italians, food parcels sent by the Canadian Red Cross were a very real help. These men know from first hand what it means to be held in prison camps during war time. The tribute they pay is very high.

This is work that the British Red Cross would normally handle but early in the war air raids and food conservation requirements brought a request that the Canadian Red Cross handle this job. Under the direction of Norman C. Urquhart, formerly a Toronto broker, an organization was established that last year sent 684,790 food parcels at a cost of $1.7 million. This includes 105,000 parcels for the Australian Red Cross and 27,500 parcels for the New Zealand Red Cross, both of which are paying for this service.

More than 100,000 cards have been returned signed by men who have received parcels.

80,000 Parcels A Week

This year, the job of providing food parcels for prisoners-of-war is destined to become the largest item in the Red Cross budget with the objective 80,000 parcels a week, double the top figure reached last year. Each parcel costs $2.50, is carried free of charge, or at greatly reduced charges by the authorities concerned, distributed from Geneva by the International Red Cross with which the Canadian society is affiliated and weighs 11 lbs. Several hundred Canadian women volunteers do the packing job in packing centres in Toronto and Montreal, using the latest assembly line principles as developed by large-scale industry. Each parcel contains:

	Quantity Oz.		Quantity Oz.
Milk powder	16	Prunes	8
Butter	16	Sugar	8
Cheese	4	Jam	16
Corned beef	12	Biscuits	16
Pork meat	10	Chocolate	8
Salmon	8	Salt, pepper	1
Sardines	4	Tea	4
Raisins	8	Soap	2

Since the beginning of the war, women's war work committee groups, under the leadership of Mrs. W. R. Campbell, Windsor, have prepared 14,255,134 articles for hospital supplies, comforts for the armed forces, air raid victims in Britain and others. Last year alone, 6,816,804 articles were prepared for Red Cross storehouses, including 2,239,821 articles of clothing and other comforts for air-raid victims in Britain.

Worth Three Times Cost

The cost during 1941 was $2.5 millions for materials, according to the 1941 annual financial statement but actual value is estimated at nearly three times that sum. An appeal for blankets early last fall brought over 13,000 good blankets and $149,913 in cash to buy others.

Shipwrecked sailors are grateful to the Red Cross. They are supplied with dunnage bags filled with clothing and necessities if they land in Canadian ports. In addition, a monthly grant of $10,000 is sent from Canada to the British Navy League and nine other societies in Britain to be spent on materials and supplies for the navy and merchant marine.

Last year, the society's maritime division, operating through Canada's eastern ports distributed 188,356 articles of comforts and clothing to sailors of the navy and merchant marine.

Saving Lives

Ranking relatively small in dollar cost, but unusually high in lives saved, is the blood donor service organized under a group of prominent doctors. New methods have been adopted of preparing a dried serum which can be kept indefinitely, can be given in transfusions to anyone regardless of the blood classification of the individual and only requires dissolving in distilled, sterilized water for use. Connaught Laboratories, Toronto, do the processing.

The Canadian Red Cross Society has not forgotten our Allies. Early last fall, for example it became apparent that everything possible should be done to aid the Russian Red Cross because of the tremendous casualties suffered in that country's stout resistance to the German invader. An immediate contribution of about $250,000 of supplies was made from stores in Britain. More than this was needed and as the result of an appeal made last December, a total of about $1 million has been made available for this work.

Two small hospitals have been provided for the Polish army training in Canada, one at Owen Sound and the other at Windsor. Food parcels have been sent to Polish prisoners in Germany and for Yugoslavian prisoners as well. Dental equipment has been provided for the Czecho-Slovakian forces in Britain.

While Greece was defending herself against Italians and Germans, $25,000 of supplies were sent by the Canadian Red Cross itself, another $100,000 worth of supplies purchased for the Canadian Greek Relief Committee and $150,000 is now on hand to be spent for food, with $25,000 of dried milk sent recently.

Transport Is Free

Magnitude of the task done by the Canadian Red Cross is clear from the work of its transportation committee. Last year it sent overseas supplies having a value of $4.5 millions, weighing 5,267 tons and carried on 225 steamers. Total loss on all shipments to date has been less than 2½% of the total value of goods shipped. This committee also has a major task in arranging warehouse space.

Arrangements with the British Ministry of Shipping permit all Red Cross goods to go overseas free of charge, resulting in an estimated saving of about $100,000 a year. Canadian railway and express companies extend the same free transport service to and from all parts of the country.

Peacetime Work Goes On

All this does not mean that the Red Cross has forgotten its responsibilities to Canadians for peacetime services.

Its outpost hospitals continue to provide medical and public health services in isolated communities. Fifty-four of these institutions were operated throughout Canada last year at a cost of $503,777. They treated 42,236 patients, performed 5,710 operations and in these hospitals 2,027 babies were born last year.

Travelling medical and dental clinics in Ontario and Quebec treated a total of 42,012 patients. Red Cross nurses examined 21,820 children on visits to schools in outlying districts.

This highly efficient service, inaugurated by the Red Cross immediately after the last war, through sparsely settled areas in Canada goes steadily on and grows apace. Home nursing and first aid courses are conducted; nurses are enrolled for emergency services; highway first aid posts are maintained

If Disaster Comes

More than normal provision is being made for possible disaster relief, at a time when possibilities of such an event are greater than usual. A revised "Disaster Relief Manual" has been prepared. Blankets, mattresses, other bedding and surgical supplies are located at strategic points, particularly in the Maritime Provinces.

Eleven mobile surgical units are stationed on the two seaboards, equipped for 24-hour operations when needed. Recently a special committee has developed a 25-bed emergency hospital which can be packed in suitable cases. A number of these units are to be placed in the Maritime Provinces where they can be easily and quickly transported to the scene of trouble.

Hospital and medical supplies required large sums last year. The ultra-modern 600-bed hospital at Taplow, England, was completed in 1940 but its supply and equipment was kept up. This unit is so designed as to be of use in peacetime and it is the intention of the society to make arrangements for its continuing use after the war. Miscellaneous grants were made last year to various societies, chiefly in the United Kingdom, engaged in caring for those suffering from the ravages of war.

The Cost Is Low

All this required an important and capable administrative staff. It meant advertising and publicity to bring to the attention of Canadians the various special appeals made last year. Yet the $84,705 spent for publicity and advertising was only about 1.6% of funds raised during the year, and total administrative expenses of $321,829 were only 4.7% of total expenditures amounting to $6.8 millions.

During the year 73 ambulances were contributed to the society at a cost of $159,236, or an average of $2,181 each. The total of ambulances donated to the Red Cross since the war started in 1939 is 313 and a very large proportion of these has gone overseas.

Last year, 36 mobile kitchens, each capable of feeding 250 people at a time, and costing $3,287 each, were sent to England. The National Fire Fighters use these kitchens during bombing raids and other emergencies.

How Last Year's Money Went

CONSOL. REVENUE AND EXPENDITURE ACCOUNT
War Account
Year Ended Dec. 31, 1941

	$
Revenue:	
Campaign contrib., donats., etc.	2,042,868
Events under War Charities Act	947,541
Specified receipts	128,118
Prisoners-of-war parcels	307,187
Interest	36,647
Refunds and drawbacks	94,376
Total general funds	3,556,738
Add: Designated funds recd.	1,074,023
Total war receipts	4,630,760
Less: Expenditures	
Merchandise purchases	2,503,505
Warehouse expenses	290,168
Workroom expenses	20,300
Civilian welfare	171,104
Hospitals and medical supplies	298,993
Welfare of armed forces	129,578
Prisoners-of-war parcels	1,701,426
Canadian Red Cross Corps	12,909
Grants made	154,342
Publicity and advertising	84,705
Travelling expenses	15,047
Administration & branch oper.	321,829
Total disbursem'ts gen. funds	5,703,906
Disburse. from desig. funds	417,507
Desig. funds rec. but not spent	656,515
Total expend. of wartime rev.	6,777,929
Excess war expend. over war rev.	2,147,169

CONSOL. REVENUE AND EXPENDITURE ACCOUNT
Peacetime Account
Years Ended Dec. 31, 1941

	$
Revenue:	
Voluntary contribs. and grants	311,537
Other revenue	390,951
Total general funds	702,488
Designated funds	69,042
Total peacetime receipts	771,530
Less: Expenditures	
Outpost hospitals & stations	515,154
Returned soldiers work	83,835
Home nursing & other nurs'g	32,641
Nutrition classes & booklets	14,919
Health work	32,763
Relief work	28,490
Visiting housekeepers	8,952
Highway first aid posts	20,605
Can. Council for crippled children	100
Junior Red Cross	137,585
Travelling expenses	3,910
Premises expenses	53,948
Administration expenses	118,339
Miscellaneous	15,022
Total expend. general funds	1,066,262
Disbursements fm. desig. funds	58,120
Desig. recd. but not spent	10,922
Total peacetime expends.	1,135,303
Excess peacetime expend. over revenue	363,773

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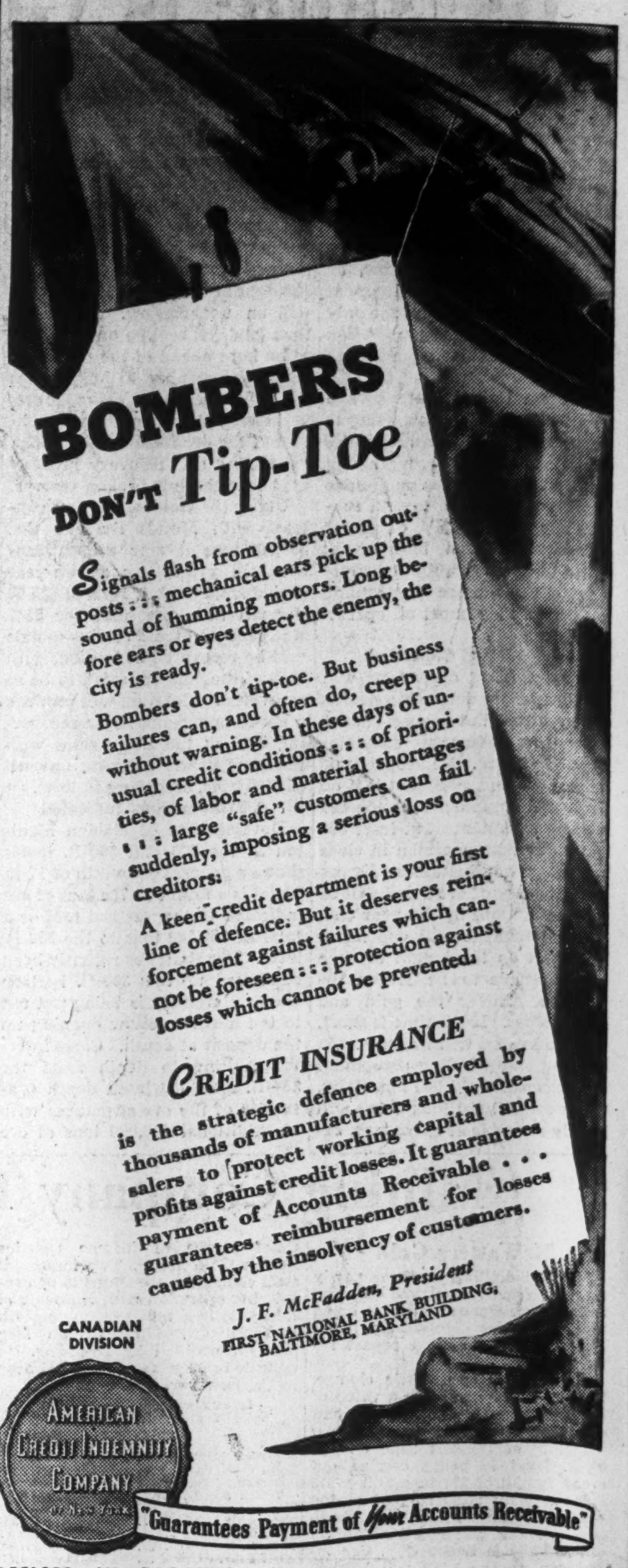

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